AVISO AOS LEITORES

WARNING

This guide, Social Responsibility Management Tools – A Contribution to Sustainability provides information from various public sources. All references appropriate to the source(s) of information were made, and permission to data disclosure was sought during the development phase. This survey aimed to keep the integrity of information and respect the way the contents are presented by their creators, so as to provide the reader with an accurate picture of how these tools have been conceived and what they are used for. The proximity to the actual events and accuracy of the information must be credited to the source they have been taken from. In the event the authorship of any piece of information has been incorrectly attributed or can be enhanced with useful data and comments, we would be glad to be contacted about it. Reproduction of the contents is permitted provided the source of the text reproduced is mentioned. Thank you.

The online “Sustainability Compendium” makes the content of this publication available on the Internet in an organized and periodically revised manner, allowing for the management tools to be always updated with the most relevant social and environmental responsibility issues in the country and in the world.

The online compendium will enable:

• Updating of initiatives by the organizations responsible for the tools (main reference centers in the theme), duly registered in the system;
• Permanent registration of new organizations to submit and share their tools;
• The dialogue between organizations and tool users, thus ensuring the exchange of successful procedures among countries.

INVITATION

We would like to invite the authors of CSR management tools, pioneers both in the development and in the advance of the SR movement, to update their works:

• Already available for use, aiming at enhancing effective social and environmental solutions;
• Still being developed or piloted, pursuing the dialogue within the SR movement to legitimize them.

The online Sustainability Compendium is, therefore, part of a collective effort of managers and mentors of CSR management tools to broaden their use in Brazil and abroad. Its ultimate purpose is sustainable development and that Corporate Social Responsibility practices become embedded in all levels of first, second and third sector organizations.

www.institutoatkwhh.org.br

LAUNCH IN 2008

We would like to recommend to our readers the publication entitled “Sustainability Indicators of Nations – A Contribution to Dialogue”. It is a presentation of 25 Sustainability Indicators of Nations that measure, monitor and assess our planet’s sustainability. Undergoing application in Brazil and abroad, these indicators take into account environmental, economic, social, ethic and cultural aspects. The search for new indicators that can help companies, governments and people to see the world accurately is necessary so that the social usefulness of the activities can be truly assessed. That is the only way to build the grounds for political decisions and development of business strategies aligned with the current state of scarcity and unsustainability in the world.

Information, sponsorship and institutional support: ferramentasrse@globo.com

Should you have any doubts, please contact Anne Louette at anne@institutoatkwhh.org.br or ferramentasrse@globo.com
Knowledge Management

Sustainability Compendium
Social and Environmental Responsibility Management Tools

1st Edition
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2007
Knowledge Management

Sustainability Compendium
Social and Environmental Responsibility Management Tools

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EXECUTIVE SUMMARY

Publication Presents Management Tools for Sustainable Development

Sponsored by Comgás, AES Eletropaulo and IDB – Interamerican Development Bank, this publication “Sustainability Compendium – Social and Environmental Responsibility Management Tools” gathers tools from 33 countries seeking to enhance the integration of CSR practices into the culture and systems of small, medium-size and large organizations of the three sectors (public sector, private sector, and non-governmental organizations).

We must understand that this is a problem concerning all of us, and we are responsible for the whole, starting from ourselves – individually – in our behavior at home, at work, on the street...

These tools meet the needs of these organizations in several management phases, contributing to processes such as learning, self-assessment, accountability, and incorporation of social and environmental responsibility in our activities.

This survey also shows the diversity and convergence among the various tools developed by research centers and organizations, still little diffused in Brazil, and serves as a parameter for understanding what is going on in an increasingly globalized world. It is not supposed to be exhaustive and cover all existing tools, especially because the theme is relatively recent and its development is in progress. It does not cover, for instance, the Practices Databases and the Codes of Ethics and Codes of Conduct, which, although we recognize truly contribute to socially responsible performance and deserve all the attention from organizations, and despite their methodological and technical advances and their considerable number, are just at the beginning of a long remodeling process of a system that only prioritizes the economic aspects.

This work provides a strategic view of social and environmental responsibility as one of its basic elements to ensure the sustainable evolution of human activities. Only this way it is possible to build the foundation for political decisions and creation of business and governmental strategies to deal with the current state of the world, of scarcity and unsustainability.

As another basic element, we must become aware that CSR is a process that demands stance, principles, values, DNA: it is a way of being, thinking of, deciding upon, acting on, leading and reacting to (Plan, Do, Check, Act) our activities.

A new awareness can lead to the creation of a new, more equitable and sustainable world. We are talking of nothing less than reinventing ourselves, reframing our perceptions, reshaping our beliefs and behavior, composting our knowledge, restructuring our institutions and recycling our societies. (Hazel Henderson)

The Online Sustainability Compendium makes the publication content available on the Internet at www.institutoatkwhh.org.br, so it can be continuously updated. Updates can be made by the organizations that created the tools after making their online registration. In addition, it will be possible for organizations to submit new tools – not included in the printed version – as well as share experiences and successful procedures among users of the tools, enhancing effective solutions for those who have adopted social and environmental responsibility and sustainable development practices.

Instituto AntaKaranA’s initiative is supported by several civil society organizations, such as Centro de Estudo em Sustentabilidade da FGV (Ces), Conselho Empresarial para o Desenvolvimento Sustentável (Cebds), Fundação Instituto de Desenvolvimento Empresarial e Social (Fides), Grupo de Instituto Fundações e Empresas (Gife), Instituto Ethos de Empresas e Responsabilidade Social (Ethos), Fundação Dom Cabral’s Núcleo Andrade Gutierrez de Sustentabilidade e Responsabilidade Corporativa (FDC), and Willis Harman House (WHH).
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The Sustainable Development Timeline

1972 UN Conference on Environment – Stockholm

1987 Brundtland Commission

2002 Sustainable Development – Johannesburg

1992 Rio

STOP to growth and environmental protection

Ecodevelopment

Sustainable Development

CSR

Corporate Social Responsibility

Economic, social and environmental performance

Scientists and NGOs

Governments, nations

Companies

Consumers
The changes in the business environment are as quick as those we can currently see in the Earth’s ecosystems and climate; facts that will substantially change the way we live in the world.

Nowadays organizations must rethink the way they conduct their businesses targeting only profit. Around two decades ago businesspeople did not think environmental issues could prevail as a challenge for the survival of organizations and the community in which they operate.

Although serious, this is only one aspect of the problems. There are huge social challenges that are still far from being resolved. Countries like ours experience difficulties in doing away with hunger, offering appropriate level of basic education to their populations, as well as sanitation and safety.

All these topics are not far from companies. They are part of their management, because they directly compromise the environment where they operate their businesses. Economic success has increasingly become dependent on these factors.

This is why the social responsibility themes, which have been broadly diffused in Brazil, have attracted special attention, and are not limited to an ethical issue advocated by some business groups. It is a broader movement. Countless tools have been developed in recent years to give consistency and reality to the so-called socially responsible management, integrating the economic, social and environmental aspects. Many of these instruments are still under development, but are beginning to show their efficacy to business.

The first task for managers who have bought into the idea is to learn the possibilities and tools for the creation of their social responsibility projects. In this sense, we believe a publication like this one is useful.

Here we can get to know a wide range of experiences and learn how the CSR movement is evolving. In this guide, it is also possible to find the necessary inspiration to act, because we see CSR has been sufficiently developed and translated into instruments that are perfectly compatible with the traditional forms of business management.

We can not help surrendering to this evidence, and attentively analyzing the many and varied options offered in this publication that we are pleased to support.
Tools and models to support the search for Sustainability

The companies’ search for balance in their economic, environmental and social actions aiming at their sustainability and an increasingly effective contribution to society is, nowadays, a reality. In order to measure this balance, some globally accepted management models and tools have been used in the business daily routine to improve processes and actions.

Through these tools and models, an organization can disclose its strategies, report on its economic, environmental and social performance, and, above all, show how its values are put into practice.

The companies of the AES Group in Brazil make use of some of these tools and models, such as the Global Reporting Initiative’s G3, the Ethos Indicators, the Social Audit – Ibase Model, and the Fundação Nacional da Qualidade’s Management Report, which have contributed a great deal to the continuous search for improvement and, consequently, for the sustainability of AES businesses in the country.

For this reason, AES – Tietê believes in the relevance of disseminating these models and tools, and supports this important publication.

Britaldo Soares
Grupo AES Brasil – Director-President

AES Tietê S.A.
www.aestiete.com.br

AES Tietê S.A. is one of the main electric power generators in Brazil, rated by the Brazilian Electricity Regulatory Agency (Aneel) as the 9th largest utility in the country in terms of installed capacity. It is responsible for the operation of ten hydroelectric power plants located in four rivers – Tietê, Pardo, Mogi-Guaçu and Rio Grande – in the Central, Northeastern and Northwestern areas of the State of São Paulo.

The AES Tietê is controlled by Companhia Brasiliana de Energia, holding formed by the AES Corp, one of the largest global investors in electric power, present in 26 countries, and the Brazilian Development Bank (BNDES). Brasiliana also holds control of Eletropaulo Metropolitana – Eletricidade de São Paulo S.A. (AES-Eletropaulo) and AES Uruguaiana Empreendimentos S.A. (AES Uruguaiana).
First of all, we are very grateful for the opportunity of this publication and the courage of Anne Louette to conceive and develop it. I would like the sub-title to be "a contribution to life!"

Speaking of sustainability nowadays is both a great challenge and a great responsibility. The number of limiting definitions and the lack of recognition of its reach lead us, at first, to mistake sustainability for the Triple Bottom Line concept, which, although important and indispensable, is only part of sustainability.

Sustainability is a lot broader and deeper and comprises the knowledge and understanding of social and environmental, cultural, organizational processes, as well as scientific knowledge to unify and interconnect all these segments. It also includes human, cultural and historical values. It recognizes the human being – with its challenges, strengths and weaknesses – as the great responsible for and victim of this planetary process.

We must consider how much this context is understood in its broadest, most comprehensive and organic sense so that the whole can become truly sustainable... And sustained! Let us all understand this difference and use well these two absolutely complementary expressions. All the possible steps and actions in this direction are relevant and have become urgent. Only wishing to change brings immobility. Aspiring to change leads us to some movement.

Acting to change is critical. It will be an endless process, for it involves life! We can not think or believe that some measures will be enough to solve this state of emergency. It is and will be a never-ending process. Some are already participating in it; others will participate as they understand its need and urgency. This process must be taught at school, at work, in the society, guiding each one according to his/her condition to assimilate each step that comprises it. It is useless to impose, punish, restrict, and frighten: the motto is EDUCATING AND GUIDING, with patience and responsibility, by those who already know and work for the purpose of life, of lives.

Bringing this compendium and presenting it as steps already taken is part of this effort. It is a starting point, a moment of recognition and assessment of what has been done; a foundation for the next steps.

Our organization uses backcasting in its strategic planning process: it represents the future, the priority, the order, and the right actions for the success of our existence. It studies the systemic conditions of our universe, what is possible now so that the future can be better. In other words, a step-by-step approach towards this understanding, responsibility and cooperation with the whole, which is where everything starts and is renewed.

Congratulations to everyone for this example, for this one more step we are taking together, for getting to know one another! May we continue together.

Simone Ramounoulou - The Natural Step Brazil - Instituto Antakarana / Willis Harman House

Simone Ramounoulou - Presidente-Executiva do Instituto AntaKaranA/ Willis Harman House

**ANTAKARANA**

[www.institutoatkwhh.org.br](http://www.institutoatkwhh.org.br)

The Instituto AntaKaranA is a non-governmental organization based in São Paulo. It was created from the need to implement and expand the activities of Antakarana Cultura, Arte e Ciência.

The institute's objective is to encourage and foster activities, consultancies and publications that contribute to the expansion of global awareness and the development of human relations through the integration of knowledge, methodologies and projects that lead to social, economic, educational, cultural and environmental adjustments.

The institute is a meeting point of convergence and synthesis inspired mainly by Willis Harman’s thinking, and works, both locally and internationally, on the diffusion of his philosophy as well as others aimed at global sustainability.
We are living through one of the most fundamental shifts in history—a change in the actual belief system of Western society. No economic, political, or military power can compare with the power of a change of mind. By deliberately changing their images of reality, people are changing the world.

Willis Harman

Willis Harman House/AntaKaranA is the natural headquarters of IONS—INSTITUTE OF NOETIC SCIENCES, WBA—WORLD BUSINESS ACADEMY, and COB—THE CLUB OF BUDAPEST, whose missions, besides being inspired by Willis Harman, have a lot in common.

Willis Harman was a remarkable and multifaceted person widely known as futurist and one of the most practical and influential visionaries of our times. He was deeply engaged with the global transformation process. Besides being a philosopher, scientist, visionary and futurist, he was most of all a never-ending source of inspiration.

Willis Harman was the president of the Institute of Noetic Sciences—IONS from 1977 until his death in 1997, and cofounder of the WBA—World Business Academy in 1987. He was also an honorary member of the Club of Budapest—COB, founded in 1993.

IONS—INSTITUTE OF NOETIC SCIENCES

Institution founded in 1973 with the aim of expanding the knowledge inherent in the human mind’s nature and potential, contributing to the change of values and visions of the world, thus making it more equitable, compassionate and sustainable.

WBA—WORLD BUSINESS ACADEMY

Institution established by entrepreneurs and consultants in 1986 to develop and enhance the role of entrepreneurs and their organizations, turning them into agents of social change.

COB—THE CLUB OF BUDAPEST

Organization comprising international leaders, teachers, artists and humanists who are globally powerful and locally active, and whose activities include making the necessary agreements for ecological, educational and environmental issues of the 21st century.

Each institution is a remarkable commitment towards a more sustainable future, based on the synergy and effort of networks, on cooperation, co-evolution, systems thinking principles, and deep ecology. The organizations operate in three core areas: organizational (World Business Academy), scientific (Institute of Noetic Sciences), and educational (Club of Budapest).

In 2003, the international license of THE NATURAL STEP, a fundamental step towards sustainable development—based on scientific, ecological and social principles towards a universe of more meaningful results, completed the action platform. This way, Willis Harman House/AntaKaranA is The Natural Step—TNS’s representative in Brazil.

THE NATURAL STEP (TNS)

The Natural Step is an international consulting and research organization that works with some of the largest resource users of the planet to create solutions, models and tools designed to accelerate global sustainability. It addresses the challenges so as to turn them into opportunities for innovation. It was founded in Sweden in 1989 and currently operates in 10 countries.

For all these reasons, the Willis Harman House wishes to become a meeting place for reflection, reference and inspiration for all those seeking to contribute to the process of global transformation envisioned by Willis Harman.
The latest scientific warnings about the reduction in environmental services and the increasing fraying of the social fabric – witnessed in the Brazilian cities, in Paris or in the East – show how dramatic and urgent a radical rupture of the traditional development model has become.

This rupture may occur by means of tragedies of in a structured manner, in case we all manage to find the transparent and productive path to understanding.

The ability of articulation among the three main actors – companies, governments and the civil society – will define how long the change will take. In all these years of debates, global conferences, approval of standards, etc., we have not created a critical mass for the emergence of enough leaders to take the society to the new platform.

In spite of facing internal conflicts and contradictions, the business sector is the one that has advanced the most in the last 20 years. Due to its discipline, aversion to red tape, and investment capacity, companies that are market leaders have been successful in implementing ecoefficiency and corporate social responsibility programs.

However, we know that the desired changes demand even more. They demand, for instance, that the companies learn how to foresee the social and environmental risks of their activities, to act before institutional regulations, to leave the comfort zone and do business with a large part of the population that is currently out of the market, among other innovative actions.

I hope this initiative of launching such an important tool – “Knowledge Management – Social and Environmental Responsibility Management Tools, a contribution to Sustainability”, will fill a significant part of this gap. In other words, I hope it will foster the education of new sustainability leaders able to act inside the companies and influence and interact with the other sectors of society.

Fernando Almeida - Executive President of the Brazilian Business Council for Sustainable Development
The new critical instruments for business management

The need for a broad discussion about the effects of human activities on the planet has become urgent in the end of the last century. Empirical and scientific evidence in several areas of knowledge have shown we indubitably need to shape a new form of individual and collective action.

Even within this context, influenced by the daily voracity of the business world, the social and environmental variables do not triumph over the business logic as a postulate to be followed. On the contrary, sustainability is the result of accumulated collective knowledge built along decades of study and analysis of experiences of scientists, business leaders, government technicians and activists from several countries.

Pioneers that have searched for innovation to face new challenges. People who can envision opportunities where many see constraints. The Corporate Business Responsibility initiatives are led by people with this profile. Leaders who do not see their corporations as isolated islands in the society, but as actors who encourage the economic, social and environmental development of their neighborhood, city, state and country.

The fragmentation of this knowledge into various segments goes together with the systematization of learning. Its compartmentalization is necessary for deepening and improving the newly-created tools.

Sticking to the commitment to pushing out the frontiers of knowledge of applied social sciences, the Fundação Getúlio Vargas has set forth efforts towards developing technologies and processes that can provide background for the actions of companies in this new business environment.

Consequently, the Centro de Estudos em Sustentabilidade welcomes the publication of this Social Responsibility Management Tools guide, for we understand that the duties of sustainability can be summarized as a sum of efforts to generate learning.

Mario Monzoni - Coordinator of the Center for Sustainability Studies

The Centro de Estudos em Sustentabilidade (GVces) is an initiative of the São Paulo School of Business Administration of the Fundação Getúlio Vargas (FGV-EAESP) dedicated to promote the sustainability concept. Its mission is to contribute to the implementation of sustainable development in its various dimensions – equity, social justice, ecological balance, and economic efficiency – through the study and dissemination of concepts and practices. GVces focuses its activities on three main areas: Research, Training and Communication.
Some years ago, corporate social responsibility was still confused with private social investment. It was necessary to explain that it was some kind of superior level of management. Nevertheless, this explanation would most likely mean nothing because there were few tools to provide this type of management with consistency and reliability.

These tools were actually being developed while discussion was taking place. As the themes advanced, new indicators or reports came up to cover the several aspects of socially responsible management. Currently there are countless management tools and instruments, reflecting principles and initiatives developed worldwide.

They also represent the consolidation and materialization of the corporate social responsibility movement for they make the organized civil society – business sectors, multilateral system, government sectors and financial system – gather to discuss what a sustainable company is and what frames of reference are required for a socially responsible and sustainable management.

This is a globalized world phenomenon. This group and these national initiatives have not been called by the United Nations. They are a result of the growing and urgent awareness that it is no longer possible to live in a world whose unsustainable model is taking the civilization and the life in the planet to the brink of extinction as never one had imagined before.

This restlessness and indignation of whole sectors of several societies and the various movements have led to a gathering around the development of tools that show the managers that the socially responsible management is a must, and no longer an option. Such tools also cause managers to change their education towards a vision of systems management, which requires the practice of relationship with all stakeholders and acknowledges that the business activity must create value beyond the financial value and result, leading the company to another role – that of social transformation agent.

In 2000, the Kyoto Protocol seemed to represent the great confluence of countries looking for a more sustainable economic model through the reduction in carbon emission and global warming. Seven years later, it was noticed that, even if all the countries had signed the commitment, at that time, the impact on global warming would not have been higher than 11%.

We are before one of the greatest challenges mankind has ever faced. Every moment lost exposes us and all living things in the planet to extremely high risks because we do not pay enough and proper attention to the warning signs that have reached us along the years.

That is why the business community and the governments have, nowadays, a great responsibility: conceiving a new development model; one that will not merely mitigate the effects of global warming, but also provide mankind and the planet with an alternative for actual development, for an equitable, inclusive and environmentally-friendly society. This is the responsibility we all have.
Some years ago this society we dreamed of could even be deemed utopian and unattainable. It was still possible to argue that there were no conditions to make it come true. Today we know it is possible to change. The same development model that produced the disaster we are about to face also created the objective and subjective conditions, the awareness and the technologies that will enable mankind to make the necessary and urgent transformation that will save the species. We must learn how to deal with this new toolkit and take the only possible path to the future, i.e., the construction of a sustainable development model.

The Brazilian society – and particularly the businesspeople, for representing one of the most powerful and organized sectors – has a key role to play in the construction of this new model, due to our country’s characteristics in terms of natural resources, population density, and advances of the corporate social responsibility movement. However, the Brazilians must be aware of the country’s responsibilities when it comes to impacts on the planet. Our country has a large area, vast natural resources, and rich biodiversity, as well as the South American continent. Any successful solution here can set an example for the other countries.

The companies that have chosen corporate responsibility as a business strategy are pioneers. And, nowadays, they are social transformation drivers. They will certainly be recognized by the market and History. After all, by adopting socially responsible management, these companies have decided to change the course of things. In the short or medium term, they will make the necessary difference so that we can reach the year 2050 safe and sound.

Ricardo Young
Director-President of the Ethos Institute - Business and Social Responsibility

Founded in 1998, the Instituto Ethos de Empresas e Responsabilidade Social is a non-governmental organization aiming to mobilize, create awareness in and help companies to manage their business in a socially responsible manner, turning them into partners in the construction of a sustainable and equitable society. The Instituto Ethos is a center for knowledge organization, exchange of experiences and development of tools to help companies analyze their management practices and strengthen their commitment to corporate social responsibility.
Manage... to reorient

We, at Núcleo Andrade Gutierrez de Sustentabilidade e Responsabilidade Corporativa – Fundação Dom Cabral (Dom Cabral Foundation) are very glad to support and participate in this initiative for mapping the social responsibility management tools for we consider it very timely in the delicate historical moment we are living.

The great challenges related to economic, geopolitical, technological or social and environmental imbalances, broadly diffused by the various media, lead us to the commitment to a behavior consistent with the level of information we have.

The relevant question that comes up is: how to reorient a cultural inertia that, although having brought a number of advances in life conditions for many, has left a trace of wounds for the great majority of the world population and the natural biosystems?

We have already noticed an enormous effort to hold meetings, which favor the understanding, legitimacy and appropriate answers to the demands, or better, to the “screaming” of those excluded from the fundamental premises of a decent, humanely ethical and healthy existence, including the pleas of Nature itself.

Rethinking the educational contents and structures in all its levels, revising laws and codes of conduct that govern the behavior of all marketing and community agents (nationally and internationally), and tools that allow the assessment of the actualization and evolution of results, as part of the sectoral and collective effort to create a global reasonability, are basic enterprises for the correction of the collision course with good sense we are on.

Finally, we understand this document is a sort of “radar”; a special contribution that illustrates several possibilities worldwide that allow the identification and management the cultural transformations that are so necessary nowadays.

Cláudio Boechat
Paulo Darien Possas
Maria Raquel Grassi
Nísia Werneck
Raimundo Soares
Roberta Paro
Management with knowledge: a critical document

The Fundação Instituto de Desenvolvimento Empresarial e Social – FIDES is involved in the development of management tools aimed at corporate social responsibility. Since the 1970s, the Instituto de Desenvolvimento Empresarial, predecessor of FIDES, led the implementation of the Corporate Social Report in Brazil, having organized the 1st Latin American Congress on the theme and published a book, organized by one of its founders, Mr. Ernesto Lima Gonçalves, entitled Balanço Social da Empresa na América Latina (Corporate Social Report in Latin America) (Livraria Pioneira Editora, São Paulo, 1980).

Most recently, in partnership with the Ocesp-Sescoop/SP system, the Fundação FIDES has developed the Manual de Indicadores de Responsabilidade Social das Cooperativas (Cooperatives’ Social Responsibility Indicators Guide) an important management tool for Cooperatives’ relations with their stakeholders.

Therefore, the FIDES is eager to compliment and support the present initiative of publishing this book Social Responsibility Management Tools – A Contribution to Sustainability.

We believe it is an important contribution to all businesspeople and business leaders that, by realizing the key role companies play in the development of society, seek to actively participate in the process of economic and social growth of all Brazilian population. FIDES understand that the companies’ sustainability is directly linked to the future of all society, and that all initiatives – like this one – that aim to improve the knowledge in this area are a fundamental step towards the progress of the Nation.

Alberto Augusto Perazzo
Elso Raimondi
Peter Nadas
Anita Viana Stein
Akin to the name of this book, GIFE – Grupo de Institutos, Fundações e Empresas – has developed for 7 years the course Management Tools. Although its program has focused on social programs, the context of its creation is the same as this publication’s: the growing demand for knowledge and professionalization of actions developed by the private sector in the social area.

Civil society organizations increasingly need to learn how to deal with administrative and legal issues, planning and project assessment practices, marketing tools and relations with partners and volunteers. Likewise, companies face the challenge of dealing with practices that were previously limited to the social and public spheres. In this sense, the tools described in this document make up a valuable guide for those who need to find these new paths. These different instruments – treaties, principles, indicators and standards – work as an organizational GPS by helping the manager to identify where he/she is, where he/she can go, and some of the several possible ways to follow.

For acknowledging the relevance and urgency of these tools, GIFE makes its contribution by supporting this initiative and also by introducing, although in a draft format, its own Private Social Investment management tool. This support is totally aligned with our mission to perfect and diffuse concepts and practices of use of private funds for the development of well-being.

In the previously mentioned course, we offer to teachers and students the challenge of not sticking to the expression “Management Tools” in its literal sense. The techniques taught can surely be useful for administrative daily problems in the short and medium terms. However, it is also critical to discuss the concepts behind the tools and the attitudes and values on which they are based. In an ever-changing and fiercely competitive world, it is easy – although dangerous – to disregard deeper issues and try to resolve everything with readymade measures and “cake recipes.”

This is also the risk run by a manager who starts using tools in a mechanic way, blindly following market trends or pressures. The result in these cases is only a little more than a nice report to be put away or forgotten in a link somewhere in the company’s website. When they are correctly used, however, they lead to a healthy practice of self-assessment and reflection. The rich dialogue process established between the company and its several stakeholders can lead to a review in the daily practices and challenge the executives to plan and implement new forms of management: more transparent, democratic and sustainable.

Fernando Rossetti - Secretary-General of GIFE
Grupo de Institutos, Fundações e Empresas
Um passo adiante rumo à maturidade da RSE no Brasil

According to the bylaws of the Instituto Akatu pelo Consumo Consciente, its purpose is to enhance the citizens’ awareness so that they can take into account how their consumption behavior impact on the economy, the society, and the environment. With that in mind, Akatu carries out activities in several areas, especially corporate social responsibility, aiming to let the consumer know and value companies’ attitude and positive actions in the social and environmental areas.

Therefore, the corporate social responsibility (CSR) issue is in Akatu’s DNA. As a result, we were very glad to learn about the development of the Social Responsibility Management Tools – A Contribution Sustainability. The compilation and assessment of available social responsibility management tools enable an important step towards the maturity of CSR in Brazil so as to act in this area with professionalism, measurements and targets. The availability of social responsibility management tools will help the consumer to include in his/her buying criteria the companies’ social and environmental responsibility practices.

The publication of the Management Tools is also an opportunity for Akatu to diffuse and assess its Escala Akatu de Responsabilidade Social Empresarial (Akatu Corporate Social Responsibility Scale), an instrument that enables the disclosure to the consumer of the social responsibility level of the participating companies. Differently from other tools, the Akatu Scale inserts corporate social responsibility indicators that start from the current level of Brazilian companies in this area. This allows the establishment of a “baseline” for companies that wish to enhance their performance in this area.

On account of all this, we would like to give our support to this important initiative, which will certainly become a reference guide for all those who directly or indirectly work in the CSR area.

Helio Mattar - Director-President - Akatu Institute for Conscious Consumption
Apresentação

1.1 Introduction
1.2 CSR Movement in the European Union
1.3 CSR Movement in Latin America
1.4 Social and Corporate Social Responsibility Networks
1.5 HDI vs. Ecological Footprint
1.6 Warnings
This survey shows the diversity of and convergence among the various existing tools, and wishes to inspire organizations to develop models and actions that allow learning the Social Responsibility concepts.

The perception of an unprecedented environmental crisis faced by the Earth that affects the survival of mankind is recent and has been part of the international agenda since the last decades of the last century. Sustainable development has become an expression used to describe this need for maintaining the balance among the economic, social and environmental dimensions. Never before has this objective been so pursued on a global scale.

At the same time, both business and governmental organizations, under pressure from the context of crisis and from social and environmental movements, started to become aware of their key role in sustaining life in the planet, which has turned into today’s social responsibility projects.

Since the 1990s, a large number of tools, such as social and environmental certifications, movements and campaigns have been created in several parts of the world aimed at consolidating concepts such as social responsibility and sustainable development translated into management practices. Organizations are expected to be transparent and this transparency is expected to be verified.

In the current decade, it is possible to notice an evolution in the corporate social responsibility practices and concepts, and CSR has gained consistency as a professional activity. Currently, the social responsibility actions are understood not only as investments that have resulted from the economic success of the companies, but are also discussed in light of a broader vision that allows the identification of social and environmental conditions that led to the achievement of profits. These elements have therefore become important factors in the assessment of economic impacts of these organizations. Consequently, we are talking about a strategic vision of social responsibility as one of the basic elements to ensure sustainable development.

It is true that out of the three classic pillars of sustainable development (economic, social and environmental dimensions) the discussion of the economic pillar has barely advanced. So far, an environmental pillar and a social pillar can be added to the economic pillar that remains unchanged.

However, if there has been a considerable evolution of concepts and the creation of tools so that social responsibility could integrate the corporate strategy and the business vision as a whole, these changes have not, in fact, occurred homogeneously. Innovative experiences – focused on the dialogue with stakeholders and knowledge of impacts throughout the production and value chains – coexist with one-off management practices that only seek to resolve problems deriving from the critical social context, such as the Brazilian one, or even from the company’s direct action.

In this sense, there are more and more social projects sponsored by companies and initiatives that aim to make social responsibility tangible, so as to integrate it into the core of business management through a wide range of management tools and techniques, whose ultimate purpose is sustainable development.

We recognize that the social responsibility concepts and practices are recent and are under development. From the organizations’ perspective, there are, at the same time, different realities, needs and challenges, but one concern: including CSR practices in their culture and management systems. For this reason, the purpose of this guide, Social and Environmental Responsibility Management Tools, A Contribution to Sustainability*, is to illustrate the wide range of tools that are present in the social responsibility arena in the world, offering alternatives for organizations to advance in their projects and become more transparent to the society as a whole.

This survey shows the diversity of and convergence among the various existing tools, and wishes to inspire organizations to develop models and actions that allow learning the SR concepts, so that they can be used to the benefit of their management practices and their stakeholders.

We believe theory and practice go hand in hand. The more these tools are applied, the more organizations will be able to assess successful cases, their risks and opportunities, improving the proposed models without making them magical, single and uniform solutions.

This guide is an investment in the diversity of proposals as a principle of innovation in itself.

* From now on, we’ll call it sustainable evolution instead of sustainable development. Sustainable development is an unfortunate definition. In the conventional approach still adopted by most economists and governments, this means keeping a 3% economic growth per year. In this case, sustainability denotes keeping the status quo. This is not what we want when we are consuming over 25% more natural resources than the planet can regenerate. If these conditions remain, that’s collapse.
1.2 RS in Europe

Corporate Social Responsibility Movement in the EU – European Union

“Making Europe a pole of excellence center on CSR”

Under the title *Implementing the Partnership for Growth and Jobs: Making Europe A Pole of Excellence on Corporate Social Responsibility*, the document published by the European Commission to the Council and European Economic and Social Committee in March 2006 announces support to an European alliance for CSR.

The 13 page document is not a legal instrument, but a manifestation of encouragement and stimulus to the adoption of CSR by European companies and the mobilization of resources of stakeholders for sustainable development and job creation. It acknowledges companies as the primary actors in CSR, but stresses the relevance of stakeholders’ contribution.

The Commission states that it “continues to attach utmost importance to dialogue with and between all stakeholders”, and recognizes that “CSR will not flourish without the active support and constructive criticism of non-business stakeholders.”

In its letter to the Parliament, the European Commission emphasizes the potential contribution of CSR to sustainable development and the European strategy for growth and jobs. It also defends that, although they are not a substitute for public policy, employment CRS practices can contribute to a number of public policy objectives, especially competency-building, a more rational use of natural resources, better innovation performance, poverty reduction and greater respect for human rights.

The document lists eight aspects the Commission will emphasize in further promoting CSR:

1. Awareness-raising and best practice exchange;
2. Support to multi-stakeholder initiatives;
3. Cooperation with Member States;
4. Consumer information and transparency;
5. Research;
6. Education;
7. SMEs;
8. The international dimension of CSR.

This document and the support it gives to the launch of the European alliance show a new and crucial phase in the European CSR policy evolution.

**PREVIOUS POLITICAL INITIATIVES AT EU LEVEL**


In this document, published in 2002 and totaling 24 pages, the Commission presents a strategy based on the following aspects:

- Increasing knowledge about the positive impact of CSR on business and societies in Europe and abroad, in particular in developing countries;
- Developing the exchange of experience and good practice on CSR between enterprises;
- Promoting the development of CSR management skills;
- Fostering CSR among SMEs;
- Facilitating convergence and transparency of CSR practices and tools;
- Launching a Multi-Stakeholder Forum on CSR at EU level;
- Integrating CSR into community policies.

- **European Multi-Stakeholder Forum on CSR**


The document was written further to a consultation process launched by the Commission’s Green Paper in July 2001 entitled *Green Paper Promoting a European Framework for Corporate Social Responsibility* (*Promovendo um quadro europeu para a responsabilidade social das empresas*).

The 32 page document opened the discussion about the concept of CSR and sought to determine the way to establish a partnership for the development of a European approach to the theme.
Over 250 responses to this document were recorded, and more than half of them came from European companies.

The Forum offered a platform for discussion between the main stakeholder groups in Europe – employers, trade unions, professional organizations and networks, and civil society organizations – and the Commission that plays the role of facilitator/articulator.

Almost 30 organizations, permanent members and observers participated in the plenary meetings of the Forum, approving its objectives, its composition, and its operational aspects. Its objective is to periodically assess progress.

Countless organizations and companies were invited to participate in four thematic round tables in order to present their experience in CSR.

With the stated overall objective of encouraging corporate social responsibility, the European Multi-Stakeholder Forum focused its actions on promoting innovation, convergence and transparency in CSR practices and tools by:

- Improving knowledge about the relationship between CSR and sustainable development (including its impact on competitiveness, social cohesion and environmental protection);
- facilitating the exchange of experience and good practices and bringing together existing CSR instruments and initiatives, with a special emphasis on SME specific aspects;
- exploring the appropriateness of establishing common guiding principles for CSR practices and instruments, taking into account existing EU initiatives and legislation and internationally agreed instruments such as OECD Guidelines for Multinational Enterprises, Council of Europe Social Charter, ILO fundamental labor conventions and the International Bill of Human Rights.

The European Commission has called meetings with stakeholders in order to assess progress and developments achieved since the publication of the Forum report in 2004.

### THE EUROPEAN COMMISSION AND THE SMES

Introduction to Corporate Social Responsibility for Small and Medium-Sized Enterprises

A brief introduction to some of the simple steps companies can take to integrate corporate social responsibility into their daily business practices. It emphasizes how corporate social responsibility can enhance the company’s economic success.

STUDIES

Collection of ten real case studies of small and medium-sized companies throughout Europe. It shows how they have become more successful thanks to their social responsibility efforts.

Awareness questionnaire

Conceived to help identify steps that can be useful and relevant for the company.

Guide to Communicating about CSR

Communicating about corporate social responsibility should not be a complex task. This Guide can help taking the most out of the steps.

REFERENCE
Corporate Social Responsibility
Movement in Latin America

While countries from other continents such as, for instance, England, have been strongly influenced by the government to adopt CSR, in Latin American countries the momentum towards the theme has originated from the mobilization of the business community and the organized civil society.

Today practically all Latin American countries have organizations that promote and foster CSR.

Aiming to enhance the joint CSR-oriented action of these organizations, important organizations have been set up in the Americas:

• Business sector networks such as the Rede Fórum Empresa – Responsabilidad Social Empresarial de las Américas (www.empresa.org) with over 18 business organizations representing 16 countries in the region.

• National Business Councils for Sustainable Development, operating under the World Business Council for Sustainable Development (www.wbcsd.org), which is a coalition of 175 international companies from 35 countries of 20 industrial sectors that has a network of 50 business national and international councils connected with international agencies, universities, NGOs, business organizations, foundations, and the media.

• Civil society networks, such as the Red Puentes (www.redpuentes.org), with members in 20 countries.

• Networks of Organizations that promote the Global Compact principles and the UN Millennium Development Goals.

• The Interamerican Development Bank (IDB) / Multilateral Investment Fund (MIF) in the promotion of CSR on a regional level (Argentina, Colombia, Chile, Uruguay, Paraguay, Peru, México and Brazil) aimed at incorporating CSR concepts into SMEs (www.iadb.org/mif).

• The Rede Interamericana (www.responsabilidadesocial.org) comprised of 13 organizations focusing on research and capacity-building in the CSR field.

• Universities start to structure research centers to study the theme. start to structure research centers to study the theme.

This means that nowadays there are over 100 organizations among these initiatives discussing and fostering CSR in the region and, little by little, the society is putting more pressure on the market.

In the Latin American business arena, companies’ social performance has their historical origin in philanthropy. When the theme came up, most business organizations stated that companies had been socially responsible for over 150 years and that this was a new way to name the social contribution of companies to the community. The companies were considering one single dimension of CSR: the company-community relationship, influenced by a catholic ethics-oriented culture in which charity and relief was the way companies related to the society and were committed to its development.

The understanding of CSR as a new form of company management that seeks an ethical, transparent and quality relationship with all stakeholders and incorporates the three sustainability dimensions – environmental, economic and social – in an integrated manner is very recent.

Gradually, more and more companies are adopting this broader concept of CSR, seeking to apply it in their management and embed it into their culture, but the number of Latin companies that have actually managed to make this shift is still small.

It is not possible to make an analysis without understanding the context in which the companies of this region operate: the lack of transparency of public and private actions, the great social inequality and the terrible income distribution cause institutional instabilities and social demands that increase their long-term competitive gaps.

This is the scenario where companies must operate and devise their commercial strategies.

This political, economic and social reality leads companies not only to accept the challenge of being globally profitable, competitive, and efficient to generate the necessary wealth, but also to live up to the society’s expectations regarding their responsibility to overcome these social constraints.

In this sense, it is indispensable to strengthen the joint actions among the civil society, the public power and the business community.
Another key factor to leverage all organizations (whether from the 1st, 2nd or 3rd sector) to a more socially responsible management is the diffusion of existing CSR tools so as to prepare them for the change.

It is also indispensable to structure a broad education process of sustainability-driven education. In this sense, the academic sector also has a lot to contribute, including CSR in its syllabuses, providing this education to the future business leaders.

These challenges, if met, will certainly boost the results in Latin America, enabling the necessary speed for an effective shift to be made.

We can not talk about a specific Latin American CSR model, differing from a European or US model, but we can not forget that CSR has more outstanding impacts here due to a very different context.

Brazil can be considered a CSR leader in the region, concentrating the greatest advances.

It is worth mentioning, for instance:

• O papel de destaque no campo da normalização nacional da Responsabilidade Social - a ABNT (Associação Brasileira de Normas Técnicas) lançou, em 2004, a norma de RS brasileira – a ABNT NBR 16001, uma das poucas normas nacionais de RS do mundo. A Inglaterra (BS8900), Austrália (AS8003), França (SD21000), Israel (SI10000) e o Japão (ECS2000) Itália (Q-Res), Alemanha (VMS) também possuem normas de RSE.

• Its outstanding coordination role in the development of the future international SR standard: ISO 26000 - The recognition for ABNT’s leadership and to Brazil’s advances in the field of CSR has contributed to the choice of ABNT, together with the Swedish standards organization, for leading the ISO SR Work Group, responsible for coordinating the development of the future international SR standard: ISO 26000.

• The role of the Brazilian financial sector in promoting CSR

- launch in 2005 of the Bovespa (São Paulo Stock Exchange) Corporate Sustainability Index – ISE – the fourth index of this kind in the world, following the Dow Jones Sustainability Index – DJSI (USA – 1999), the FTS4Good (England – 2001), and the JSE SRI (South Africa – 2004).

- leadership in the adoption of the Equator Principles. Three years after the launch of the Equator Principles, Brazil is still the only emerging country represented in the agreement, with the adoption of the Principles by four national banks last year.

- creation of ethical investment funds, such as Unibanco’s Fundo Verde and the Banco Real/ABN Amro’s Fundos Ethical, as well as the adoption of social and environmental criteria for loan approval.

• Brazil is also among the four countries with most SA 8000 certifications in the world, after Italy and China, and alternates with India the third place.

• Its role in the business community fostering the Millennium Development Goals and the UN Global Compact (Brazil has the most signatory companies) – the appointment by the UN Secretary-General of two Brazilians (the president of Petrobras and the president of Instituto Ethos) to the Global Compact Board, among its 20 members.

• The growing number of reports published containing social and environmental information by an increasing number of Brazilian companies.

• The growing number of Latin American countries that have adjusted the Ethos CSR Indicators (as a self-assessment tool for socially responsible management of its associates) to the reality of their countries. Argentina was the first country to translate the indicators into Spanish, facilitating the task for the other Latin American countries (see Chapter 7). In 2005 in Brazil, 617 companies reported on the Ethos Indicators.

• Among the many mobilization projects in Brazil, the Instituto Ethos has organized for seven years a capacity-building program for journalists – the Rede Ethos de Jornalistas – which periodically provides journalists with information, workshops and publications. In addition, Ethos annually organizes the journalism award Prêmio Ethos de Jornalismo. These initiatives aim to diffuse and explain the concept of social responsibility to a mainstream audience.

• The Premio Ethos-valor is a competition for university students on corporate social responsibility and sustainable development. Launched in 2000, it awards the best academic (undergraduate and graduate) papers in the country. It aims to encourage and enhance the debate on corporate social responsibility and sustainable development within the academic community, involving scholars and undergraduate and graduate students of all areas throughout the country. In spite of the advances presented, there are still great challenges to be met in Latin America.

Apesar dos avanços apresentados, há, ainda, grandes desafios a serem alcançados na América Latina.

REFERENCE
Hugo Vergara (Fórum Empresa)
Giuliana Ortega Bruno and Tarcila Reis Ursini (UniEthos)
The social networks are systems that gather individuals and organizations around common objectives or themes.

Their work dynamics is collaboration and participation with flexible structures and horizontal relations.

The networks are, therefore, a characteristic of the contemporary social movements, which have been boosted in the last decades by the communication technologies, enhancing their actions on a global scale, allowing information exchange, solution finding and shared knowledge.

The organization in networks also contributes to the corporate social responsibility movement, influencing actions and the ideological debate on the theme.

Historically, North-American and European companies pioneered the creation of networks aimed at encouraging the business community to adopt social responsibility in their businesses.

The first network of this kind was the Business for Social Responsibility (BSR), created in 1992 in the United States, initially with 50 associated companies. In Europe, the Fundación Empresa y Sociedad, from Spain, started off in 1995. The movement reached Latin America with the creation of Peru 2021 in 1994. However, it has only grown substantially in the following years with the creation of other organizations, which have created links with each other, such as:

- Cemefi in Mexico and Instituto Ethos in Brazil in 1988.
- Acción Empresarial de Chile in 1999.
- Instituto Argentino de Responsabilidad Social Empresaria (larse) in 2003.
- Etc.

At the same time, business networks have been globally organized. They are:

- World Business Council for Sustainable Development (WBCSD) – Created in 1991, the WBCSD has today some 180 multinational companies drawn from more than 35 countries and 20 major industrial sectors. The Council also comprises a Regional Network of 50 national and regional partner organizations – called Business Councils for Sustainable Development (BCSDs) – linked with international agencies, universities, NGOs and foundations, and aimed at sharing experiences and promoting business leaders that encourage sustainable development in their countries or regions. By joining the WBCSD, organizations can access the world’s best practices on socioeconomic and environmental management. The WBCSD activities show that business is good for sustainable development. [www.wbcsd.org]
- CSR Europe – Created in 1996, this organization currently gathers members from 18 European countries. Its mission is to help companies achieve profitability, sustainable growth and human progress by placing corporate social responsibility in the mainstream of business practice. [www.csreurope.org]
- Forum Empresa – It is an alliance of CSR business organizations that promotes corporate social responsibility in the Americas. Created in 1997, with its head office in Santiago, Chile, its purpose is to gather leaders from American countries to strengthen the role of CSR. It currently gathers members from 20 countries: Argentina, Brazil, Canada, Chile, Colombia, El Salvador, United States, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela, Costa Rica, Bolivia, Puerto Rico, and Ecuador. [www.empresa.org]
- Rede Interamericana de RSE – Founded in 2003, the network aims to develop knowledge to speed up the adoption of a social responsibility culture that contributes to competitiveness and sustainable development. It has founders from 13 institutions in ten American countries: Argentina, Brazil, Chile, El Salvador, United States, Mexico, Peru, El Salvador, Uruguay, and Costa Rica. [www.responsabilidadesocial.org]

We can not underestimate the role of civil society organizations, which also create networks and lead companies to adopt responsible practices. This expansion has become more rapid in the last 30 years through movements led by environmentalists, consumers and workers, who demand that companies fulfill their responsibilities for legal obligations and human rights duties. These movements can lead to the creation of new standards and improvement in and control over existing ones.
Redes de RSE 1.4

- **Friends of the Earth International** – Fundado en 1971 by four organizations from France, Sweden, England and the USA, it is the world’s largest network of ecological groups. It currently comprises 70 units that gather around 5 thousand groups of environmentalists in all continents. The Amigos da Terra Internacional, as it is known in Brazil, organizes campaigns against the excessive power of large corporations. They disseminate the most important contemporary social and environmental themes and criticize the current economic model of business globalization. Its objective is to present solutions to create equitable and environmentally sustainable societies. [www.foei.org](http://www.foei.org)

- **Clean Clothes Campaign (CCC)** – It started its activities in 1989 in the Netherlands focused on improving working conditions in the global garment and sportswear industries. There is a Clean Clothes Campaign in 9 European countries (Austria, Belgium, France, Germany, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom) formed by a coalition of trade unions and approximately 200 NGOs. [www.cleanclothes.org/cccs.htm](http://www.cleanclothes.org/cccs.htm)

- **BankTrack** - It is a network of 14 civil society organizations from ten countries (Argentina, Australia, Belgium, France, Germany, Italy, the Netherlands, Switzerland, the United Kingdom and the United States) tracking the operations of the private financial sector (commercial banks, investors, insurance companies, pension funds) and its effect on the society and the environment. Its purpose is to make these operations contribute to creating healthy and just societies and preserve the ecological well being of the planet. There are members in Brazil, France, Switzerland, Italy, the United Kingdom, the United States, the Netherlands, Australia, Belgium, and Germany. The BankTrack members intend to contribute to the financial sector so that it can improve its practices. [www.banktrack.org](http://www.banktrack.org)

Recently, networks of NGOs and unions have been structured to promote critical viewpoints on CSR. One of them is Core Coalition ([www.corporate-responsibility.org](http://www.corporate-responsibility.org)), which has gathered since 2002 some 130 NGOs, unions, businesses and academic institutions. Core aims to have corporate social responsibility parameters turned into laws, for it believes voluntary adoption of these practices is not enough to ensure respect for stakeholders.

In Chile and in Spain, the Observatorio de Responsabilidad Social Corporativa ([www.observatoriorosc.org](http://www.observatoriorosc.org)) is an association comprising 11 civil society organizations and aims to be a network that encourages the participation and cooperation among social organizations that work on social responsibility from different points of view. Its objective is to cooperate with the private sector and prevent the concept of social responsibility from being misunderstood.

These networks progressively form international alliances, among which we can highlight the following:

- **Red Iberoamerica de Meios e Profissionais de RSE** - Launched during the III Interamerican Conference on Corporate Social Responsibility, organized by the Interamerican Development Bank (IDB) in Chile in September 2006.

- **OECD Watch** - It is in international network, established in 2003, which informs NGOs from Europe, the Americas, Australia, Africa and Asia about policies and activities of the Organisation for Economic Co-operation and Development (that can neither impose sanctions nor offer compensations), and tests the effectiveness of the OECD Guidelines for Multinational Enterprises. It comprises 47 organizations. [www.oecdwatch.org](http://www.oecdwatch.org)

- **Red Puentes** - Created in 2002. This network comprises 42 NGOs and trade unions from Mexico, Argentina, Brazil, Chile, Uruguay, Peru, Spain and the Netherlands. Red Puentes wants to promote CSR in Latin America from the perspective of the civil society. [www.redpuentes.org](http://www.redpuentes.org)

- **Coalition for Green and Social Procurement** – It is a non-formalized alliance among 15 European organizations that aim to include social, ethical and environmental criteria in public bids. It coordinates the lobby of civil society organizations and trade unions in the European Parliament. [www.eeb.org](http://www.eeb.org) [www.eeb.org/activities/product_policy/main.htm](http://www.eeb.org/activities/product_policy/main.htm)

The establishment of these networks shows controversy about social responsibility and the best ways for the company to reach it. This controversy can be seen in the action of these networks, and it is possible to notice some differences among them, such as:

**Business networks**

- usually highlight the “voluntary” nature of CSR;
- present CSR as a business strategy for more profits and perpetuity;
- emphasize the best practices and award prizes;
- have a strong presence in the media.

**Civil society networks**

- defend the creation of regulations for CSR;
- also show the negative practices;
- hold companies responsible for the impact of its supply chains; demand the relation CSR must have with the company’s activity;
- have difficulty in liaising with the media.

**REFERENCE**

This document has been translated and edited from the document “la necesidad de crear redes entre representantes de la RSC en el norte y en el sur”. BART SLOB
Sustainable Development, a cooperation: environment & development

HDI - The Human Development Index – HDI – is an indicative, non-exhaustive measure of the human development created by the UNDP in 1990. It integrates standard of living (GDP per capita), life expectancy, level of education and access to knowledge (adult literacy and children's education). An HDI of 0.8 was set as a target by the United Nations. The Human Development Index enables the assessment of social and economic sustainability.

Ecological footprint - The biologically productive land and see area (basis of the ecosystem and the mankind) is limited. The Ecological Footprint measures land and sea area needed to regenerate the resources a human population consumes and to absorb the corresponding waste. The land and sea area on Earth available for development is 11.4 billion hectares, i.e., an average 1.9 ha per person. In 1999 it was 2.3 ha, that is, 20% higher. The Ecological Footprint enables the assessment of "environmental sustainability". ambiental".
Performance of nations Sustainable Development: how many planets?

- USA, Australia, Canada
- Northern and Western Europe
- Southern Europe + "NIC"
- "Emerging" countries from Asia and South America (+ Turkey)
- "Emerging" countries from Northern Africa, Middle East, and Asia
- Developing countries from Asia and Africa

Current generations' needs

Ecological footprint (ha/inhab)

Índice de Desenvolvimento Humano - IDH

Necessidade gerações futuras
1.6 Warnings

Doesn’t anybody hear the warnings?

1936 - Winston Churchill - “The era of procrastinations, of half-measures, of soothing and baffling expedients, of delays is coming to its close. In its place we are entering a period of consequences.”

1987 - Gro Brundtland. Nosso futuro comum. - “Scientists bring to our attention urgent but complex problems bearing on our very survival: a warming globe, threats to the Earth’s ozone layer, deserts consuming agricultural land.”

1992 - Rio 92. Maurice Strong. - “… it is our last opportunity to rethink the planetary routes, under penalty of mankind decline.”

1992 - Serven Suzuki 12 anos. Eco 92. - “…you adults, you must change your ways… I am here to speak for all generations to come… All this is happening before our eyes and yet we act as if we have all the time we want and all the solutions. I’m only a child and I don’t have all the solutions, but I want you to realize, neither do you… I’m only a child, yet I know we are all part of a family, 5 billion strong, in fact 30 million species strong sharing the same air, water and soil. And borders and governments will never change that. I’m only a child, yet I know we are all in this together and should act as one single world towards one single goal… You are deciding what kind of a world we are growing up in. Parents should be able to comfort their children by saying ‘Everything is going to be all right, it’s not the end of the world, and we are doing the best we can; But I don’t think you can say that to us anymore. Are we even on your list of priorities? My dad always says, ‘You are what you do, not what you say’. Well, what you do makes me cry at night. You grown-ups say you love us. But I challenge you, please, make your actions reflect your words.”

1997 - Rio + 5. Maurice Strong. “…we must reinvent industrial-technological civilization”.

1997 - Mikhail Gorbachev sentenciava: “We need a new paradigm; the current civilization has come to an end, exhausted its possibilities. We have to reach a consensus on new values. In 30 to 40 years the Earth may be living without us.”

1997 - Kofi Annan voltou a advertir: “If we do not get the climate under control, if we do not confront the challenges of the environment, every other effort we are making can be washed aside.”

2002 - Rio + 10. Chirac. - “…it is a global apartheid; our children and grandchildren will challenge us: you knew about it and did nothing. We can not say we did not know! Let us be aware so that the 21st Century will not become, for the future generations, the century of the crime of mankind against life.”

2002 - [Washington Novae] A Década do Impasse, da Rio-92 à Rio+10. (The Decade of Dilemma: From Rio 92 to Rio+10) - We have neither institutions nor universal rules that can change the situation on a planetary level”… “At the same time, we’ve learned it’s not possible to pretend the so-called environmental problem is separated from the economic, the political, the social, and the cultural sides. All public and private enterprises either take place in concrete reality – in the soil, the water, the air we breathe, among the living things – or have an impact on it…” “We’ll have to reconsider everything, rethink the consumer’s patterns and logic, reinvent our ways of life. And, to do so, we need to take to the core and the beginning of our public policy and private planning the so-called environmental issues – which, I must repeat, are political, economic, social and cultural.”

2002 - Oded Grajew – “If people have the chance to see the figures, the social indicators, they’ll certainly be shocked. …with respect to levels of poverty and environmental degradation. We run the risk of seeing the human species extinct within one single generation. The forecasts are pessimistic about water, arable lands, global warming, conflicts, wars and large-scale poverty…” “If everything goes on in the current direction, everything will happen as forecast, that is, things will continue to worsen…”

2002 - Eco 92 - Rio 92 - 1600 scientists, including 102 Nobel laureates, from 70 countries launched the document “World Scientists’ Warning to Humanity”. Their introduction stated: “Human beings and the natural world are on a collision course. Human activities inflict harsh and often irreversible damage on the environment and on critical resources. If not checked, many of our current practices put at serious risk the future that we wish for human society and the plant and animal kingdoms, and may so alter the living world that it will be unable to sustain life in the manner that we know. Fundamental changes are urgent if we are to avoid the collision our present course will bring about.”
2003 - [Serge Latouche] - “In other words, it takes the unshakeable faith of the orthodox economists to think that the science of the future will solve all the problems, and that the unlimited replacement of Nature by artifacts is conceivable.”

2003 - Manfred Max Neef - “The economy is to serve the people and not the people to serve the economy. Development is about people and not about objects. Growth is not the same as development, and development does not necessarily require growth. No economy is possible in the absence of the ecosystems services. The economy is a subsystem of a larger and finite system, the biosphere, hence permanent growth is impossible. Under no circumstances whatsoever can an economic process or interest be above the reverence of life.” “... I believe we must acknowledge we are part of a great sickness. There has never been in History a period in which everything we do is so self-destructive. And this is a gigantic collective pathology, and if we become aware of it, it will be the first step to reaching an adequate healing”

2003 - Herman Daly in an interview to Carta Capital - “The discourse of growth serves to veil the fact that nothing is done to distribute wealth and really face the problem of poverty in the world.”

2004 - Stephen Pacala e Robert Socolow - “Humanity already possesses the fundamental scientific, technical, and industrial know-how to solve the carbon and climate problems.”

2006 - Al Gore. An Inconvenient Truth - “We need an outburst in people’s awareness... It’s a world phenomenon. Each one of us is a cause to the problem, but each one of us can be the solution to the problem.”

2006 - Oded Grajew - “We are not facing a problem of means, but one of political and social will...”

2006 - A. James Lovelock. Vingança de Gaia. - “The unrestrained consumption of the rich populations and environmental degradation associated with the population growth of the so-called developing nations demand even more radical changes in lifestyles, capable of promoting a deconstruction of ideology and consumerist practices: banning planned obsolescence, banning the use of certain materials that cannot be recycled; generalizing recycling and reuse practices; imposing efficiency patterns in the use of energy; fighting air, water and sea pollution... Therefore it is necessary, under any scenario, under any economic system, to face environmental issues with radical changes in what mankind understands as civilization.” “Current trends show a multifaceted ecological crisis that will rise up to catastrophic proportions, to which the only way out is a great social, economic and political change. The problems are real, of very difficult solution, and their impacts are increasingly visible and traumatic. Since a new ecologically sustainable development model means a deep rupture with the marked logic, very unlikely today (the ecological criticism clearly points to the irrationality of the capitalist society, with superfluous consumption as the ideal of happiness) the “pedagogy of catastrophes” will possibly produce a broad discussion of society and will feed more radical political options.”

2007 - Reports IPCC - “The world will come to an end and there is nothing to be done” (in 1988 the IPCC published its first report, basically with the same warnings of the latest).

2007 - François Chesnais. L’irrationalité du capitalisme au coeur de la crise de civilisation planétaire. - “Anyone who starts getting interested in issues related to climate change and the destruction of the planet’s resources will very quickly understand that not only marginal changes are required in developed countries, in their daily lifestyles and in their social organization, but a Copernican change. All the social life organization will have to be reconsidered.”

2007 - Ricardo Young - “We’re dealing with a change in the civilization pattern, and this is not an easy task, but I believe it means a strong challenge and also a great opportunity.”

2007 - John Elkington - “We need new species; a new ‘ecosystem’ must be built.”

2007 - Oded Grajew - “Global warming, the growing income and wealth concentration, the intensification of conflicts, results of the current globalization model are a huge threat to mankind and prove that a new world, different from the Davos world, is not only possible but also urgently necessary.”

2007 - Fernando Almeida - “We must admit that the collapse of planetary ecosystems is more than business collapse, it is the collapse of life.”

Collaboration and acknowledgments: Washington Novaes, journalist
International Principles and Guidelines

2.1 Introduction
2.2 OCDE - Guidelines for Multinational Enterprises
2.3 UN
2.4 ILO - Declaration on Fundamental Principles and Rights at Work and its Follow-up
2.5 ILO - Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
2.6 ILO - Guide to International Labour Standards
2.7 UNDP - Global Compact
2.8 UNDP - Millennium Development Goals
2.9 UNDP - Earth Charter
2.10 UNDP - Agenda 21
Evolution of concepts, principles and documents in the construction of sustainability

The social responsibility of organizations from all sectors arises from an international context in which themes such as human rights, labor rights, environment and sustainable development gain momentum in the discussion among United Nations member states resulting in guidelines that lead to the development of the CSR concept within the business world.

Such initiatives have been translated into standards, agreements, recommendations, unilateral and multilateral codes that help understand and place responsibility as an emerging theme for organizations. Generally speaking, they are documents of the United Nations and its agencies, such as ILO and UNDP, which provide the minimum parameters for business operations.

Among the main international documents inspiring the CSR we can highlight the following:

- United Nations Universal Declaration of Human Rights;
- ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up;
- ILO Tripartite Declaration Concerning Multinational Enterprises;
- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- United Nations Rio Declaration / Agenda 21 on environment, sustainable development and poverty eradication.

Widely accepted worldwide, these treaties, guidelines and instruments directly affect the business activities, their obligations, and hold companies responsible for promotion and fulfillment of rights. The Universal Declaration of Human Rights is the most important of them and its preamble includes the companies as legitimate actors for the full achievement of human rights based on the 18th Century French Revolution ideals of liberty, equality and fraternity.

Labor is also a United Nations concern and it is addressed by the ILO through the Declaration on Fundamental Principles and Rights at Work and its fundamental Conventions, which provide principles for labor relations such as:

- Freedom of association and protection of the right to collective bargaining (ILO Conventions 87, 98, complemented by ILO Convention 135);
- Abolition of forced and compulsory labor (ILO Conventions 29 and 105);
- Abolition of child labor (ILO Conventions 138 and 182);
- Abolition of discrimination in respect of employment and occupation (ILO Conventions 100 and 111), and Conventions 87 and 98 (complemented by ILO Convention 135).

Sustainable development, widely discussed nowadays within the scope of social responsibility, has become a United Nations universal concern since the Conference on Environment and Development in Rio de Janeiro, also known as Rio - 92. Since then, enhanced discussion and a higher number of Conventions on environment has added to other existent agreements such as:

- OECD Guidelines for Multinational Enterprises (1976);
- Vienna Convention for the Protection of the Ozone Layer (1985);
- Earth Summit, Rio de Janeiro (1992);
- Convention on Biological Diversity (1992);
- Aarhus Convention (1998), through which human rights and environmental rights were for the first time related to each other;
- Rotterdam Convention on the Prior Informed Consent (PIC) Procedure (1998);
- Protocol de Cartagena sobre Biossegurança (2000);
- Kyoto Protocol;
- Stockholm POPs (Persistent Organic Pollutants) Convention (2001);
- Stern Report (2006);
- IPCC (Intergovernmental Panel on Climate Change) Report.

In 2007, the UN Assembly will vote on the Norms on the Responsibility of Transnational Corporations and other companies concerning human rights. This initiative aims to update the UN guidelines for companies taking into account documents such as:

- United Nations Universal Declaration of Human Rights;
- United Nations Charter;
- Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy;
- ILO Declaration on Fundamental Principles and Rights at Work;
- OECD Guidelines and Global Compact.

The objective of the new UN guidelines is to empower Governments so that they can demand that organizations respect human rights, sovereignty and local economic development. In addition to addressing CSR in respect to human rights, labor rights, consumer rights and the environment, the guidelines also include the participants’ comments and create a database of the documents used in their development.

Organizations are expected to take their social responsibility, complying with, respecting and promoting the treaties and standards mentioned above, integrating them in all aspects of their operations.
Organization for Economic Cooperation and Development

The OECD Guidelines for Multinational Enterprises

The Organization for Economic Co-operation and Development (OECD) is an international organization of developed countries advocating principles of democracy and free market economy. It is based in Paris, France. It was created on September 30, 1961, following the Organization for European Economic Co-operation (OEEC), created on April 16, 1948.

WHAT IT IS

The Guidelines for Multinational Enterprises are part of the OECD Declaration on International Investment and Multinational Enterprises, broad political commitment adopted in 1976 to facilitate direct investment among OECD Members.

They provide voluntary principles and standards for responsible business conduct in a variety of areas including social and environmental issues, such as human rights, information disclosure, employment, and environment. Brazil adhered to the guidelines in 1997, and ratified it in June 2000 when the review process ended.

ORIGIN

After the World War II, the Organization for European Economic Cooperation (OEEC) was created aiming to manage the North American and Canadian help in the reconstruction of Europe. It turned into the OECD – Organization for Economic Co-operation and Development in 1961.

The OECD is composed of rich countries, and becoming a member is not simple. Adhering countries may or not become members. Argentina, Brazil, Chile, Estonia, Israel, Latvia and Slovenia are signatory countries since January 2004, totaling 70 members.

OBJECTIVE

The Guidelines aim to ensure that the organizations’ operations are aligned with governmental policies so as to strengthen mutual trust between companies and the communities in which they operate, help improve flows of investment capital, and contribute to sustainable development.

CONTENT

Since its adoption in 1976, the Guidelines have been reviewed five times, setting the tone for responsible business conduct in respect of social and environmental issues. The Guidelines do not provide an accurate definition of “multinational enterprises (MNEs)”. It normally means a company operating in more than one country. A multinational enterprise may consist of a variety of organizational arrangements, including private, state-owned or mixed companies.

The principles involve all multinational subsidiaries based in a member country. Organizations are expected to foster the creation of their own supply chain so as to comply with the guidelines. Adhering governments have recognized that medium-sized and small companies may not be able to comply with the Guidelines at the same level, but they are encouraged to do so.

Chapters presented:
- Concepts and principles
- General principles
- Information disclosure
- Employment and industrial relations
- Environment
- Combating corruption
- Consumer interests
- Science and technology
Chapter 2
International Principles and Guidelines

• Competition
• Taxation

STEP-BY-STEP

Adhering governments are responsible for ensuring the Guidelines implementation through the creation of National Contact Points (NCPs) within the government. The NCPs may be organized in the following ways:
• in a single governmental body;
• in several ministries;
• in a tripartite arrangement (government, union, and companies);
• in a quadripartite arrangement (government, union, companies, and NGOs).

The NCPs are responsible for encouraging the observance and implementation of the Guidelines in its national context and for ensuring that the Guidelines are well known and understood by the national business community, unions, NGOs, and the society as a whole. It also answers complaints against companies accused of violating the Guidelines. The NCP is not a court, but it assists in solving problems that may arise in this connection.

The Brazilian NCP is based in the International Affairs Office, Ministry of Finance (coordinator).

RESULTS

The OECD Watch has made a report that presented a qualitative analysis of the Guidelines performance.

Recommendations made in the report:
• Enhancing NCPs’ capabilities;
• Strengthening Guidelines’ reach;
• Strengthening NCPs’ performance and reach.

FIVE YEARS ON - A Review of the OECD Guidelines and National Contact Points

www.oecdwatch.org/ES/docs/OECD_Watch_5_years_en.pdf

REFERENCE

www.fazenda.gov.br/sain/pcnmulti/diretrizes.pdf

Guide to the OECD Guidelines for Multinational Enterprises - Complaint Procedure Lessons from Past NGO Complaints

www.oecdwatch.org/FR/docs/OW_complaint_guide_4.pdf (30p.)

TIP

“Um Guia para as Diretrizes. Uma orientação prática para indivíduos, comunidades e ONGs sobre as Diretrizes da OCDE para Empresas Multinacionais.” (A Guidelines Guide. Hands-on guidance for individuals, communities and NGOs to the OECD Guidelines for Multinational Enterprises)

This guide clarifies the opportunities and challenges of the Guidelines. It presents a hands-on guidance, sums up several complaints made, and describes hypothetical examples of activities that may be considered violations. It aims to help individuals, communities and NGOs to better understand the Guidelines in order to foster a more meaningful and robust implementation by governments, and, above all, the compliance of multinational enterprises.

OR

“A User’s Guide for Trade Unionists to the OECD Guidelines for Multinational Enterprises”

This Guide aims to diffuse and promote the use of the OECD Guidelines as a driving tool for positive business behavior in respect of human, social, labor, and environmental rights in the country.
The United Nations Organization (UN) was officially founded on October 24, 1945 in San Francisco, California by 51 countries, soon after the end of World War II.

The first General Assembly was held on January 10, 1946 in Westminster Central Hall, London. Its current headquarters is in New York City. The forerunner of the United Nations was the League of Nations, an organization conceived in similar circumstances during World War I, established in 1919 under the Treaty of Versailles “to promote international cooperation and to achieve peace and security.”

In 2006 the UN had 192 Member States – each one of the countries internationally recognized as sovereign, except for the Vatican, which is an observer, and countries without full recognition (e.g. Taiwan, which is considered part of China, although recognized as sovereign by other countries). One of the most important achievements of the United Nations is the United Nations Universal Declaration of Human Rights, dated 1948.

The United Nations Development Programme (UNDP) is the UN’s global development network whose mission is to promote development and eradicate poverty in the world.

Among other activities, UNDP makes reports and analysis about sustainable human development and the life conditions of populations. In addition, it carries out projects that contribute to building a better life in the 166 countries where it has representation. UNDP is also known for devising the Human Development Index (HDI) and for being the international agency that coordinates in each country office the United Nations agencies, funds and programs known as the United Nations System. UNDP also diffuses the Millennium Development Goals set by the UN Member States in 2000 and monitors the countries progress towards reaching them. They are a set of 18 objectives linked to 8 goals and 48 indicators to be met by the signatory countries by 2015 aiming at global development.

The International Labour Organization (ILO) is a United Nations agency specializing in labor issues. It has governmental representations of employers and workers organizations in 178 Member States. Based in Geneva, Switzerland, since its foundation, ILO has a network of offices in all continents. It was created by the Peace Conference after the First World War. Its constitution became Part XIII of the Treaty of Versailles.

The idea of an international labor legislation derived from the ethical and economic debate on the human cost of the industrial revolution. The roots of ILO date back to the early nineteenth century, when two industrialists, Robert Owen and Daniel Legrand supported the development of a labor legislation and improvement in labor relations.

The creation of an international organization addressing labor issues was based on the following considerations:
• Humanitarian: labor conditions involving injustice, hardship and privation;
• Political: peace-threatening social conflicts;
• Economic: countries refusing to adopt better working conditions might prevent its improvement in other countries.


The Organization won the Nobel Peace Prize on its 50th anniversary in 1969. In its speech, the Nobel Prize Committee president stated that ILO was “one of the few institutions the human race could be proud of”.

ILO works for the maintenance of its values and objectives to the benefit of a social agenda that guarantees the continuity of the globalization process through a balance between economic efficiency and social equity.

REFERENCE
www.ilo.org.br
www.oit.org.br
www.oitbrasil.org.br
The UN has had a representation in Brazil since 1950 when UNICEF (United Nations Children’s Fund) and ILO (International Labour Organization) started their work in the country. Currently there are 18 regional agencies, funds, programs and commissions in Brazil:

- UNHCR (UN High Commissioner for Refugees)
- UNIC-RIO (United Nations Information Centre Rio de Janeiro)
- ECLAC (Economic Commission for Latin America and the Caribbean)
- FAO (Food and Agriculture Organization of the United Nations)
- IMF (International Monetary Fund)
- World Bank
- ILO (International Labour Organization)
- WHO / PAHO (World Health Organization and Pan-American Health Organization)
- UNDP (United Nations Development Programme)
- UNEP (United Nations Environment Programme)
- ITU (United Nations International Telecommunication Union)
- UNAIDS (UN Joint Programme on HIV/AIDS)
- UNESCO (United Nations Educational, Scientific and Cultural Organization)
- UNFPA (United Nations Population Fund)
- UN-HABITAT (United Nations Human Settlements Program)
- UNICEF (United Nations Children’s Fund)
- UNIFEM (United Nations Development Fund for Women)
- UNODC (United Nations Office for Drug Control and Crime Prevention).

In addition, despite not having offices in the country, 13 agencies are present through their programs and projects:

- UNCTAD (United Nations Conference on Trade and Development)
- IAEA (International Atomic Energy Agency)
- UNIDO (United Nations Industrial Development Organization)
- UNOPS (United Nations Office for Project Services)
- WMO (World Meteorological Organization)
- UNMOVIC (United Nations Monitoring, Verification and Inspection Commission)
- UPU (Universal Postal Union)
- UNDESA (United Nations Department of Economic and Social Affairs)
- IAPSO (Inter-Agency Procurement Services Office)
- UNCDF (United Nations Capital Development Fund)
- WIPO (World Intellectual Property Organization)
- United Nations University
- United Nations Headquarters.
ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up

In 1998, after the Cold War, the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up was adopted. O Seguimento.

The document is an expression of commitment by governments, employers’ and workers’ organizations to uphold, promote and apply the Fundamental Principles and Rights at Work regarding:

- Freedom of association and the right to collective bargaining;
- The elimination of forced and compulsory labor;
- The abolition of child labor, and;
- The elimination of discrimination in the workplace.

These principles and rights are translated into eight fundamental Conventions. The Declaration commits Member States to respect and promote principles and rights, whether or not they have ratified the relevant Conventions.

The In-Focus Program on Promoting the Declaration includes follow-up activities to support the commitment made by the ILO Member States, through an Annual Review composed of reports from countries that have not yet ratified one or more of the ILO Conventions that directly relate to the four specific principles and rights stated in the Declaration.

In Brazil, ILO has been promoting the Declaration and its content through:

- tripartite study groups and seminars, and technical cooperation activities focused on each of the four areas;
- the virtual interactive Forum on the Declaration and its elements.

**WHAT IT IS**

Recommendation to governments, employers’ and workers’ organizations and to multinational enterprises aimed at regulating the multinational enterprises conduct and setting the guiding principles in their relations with host countries.

**ORIGIN**

The International Labour Organization (ILO) was the first entity of this kind to become interested in the CSR concept. In 1977 it adopted the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy. This Declaration is aimed at governments rather than at enterprises and its reach depends on the governments’ political will to make the companies under their jurisdiction comply with the Declaration. First version launched in 1977; second version in 1991, and third version in 2001.

**OBJECTIVE**

The Declaration seeks to encourage the positive contribution that multinationals can make to economic and social progress and to minimize and resolve the difficulties arising from their operations.

**CONTENT**

Its scope is based on the ILO Conventions and the Universal Declaration of Human Rights. It covers:

- employment promotion;
- equality of opportunity and treatment;
- abolition of child labor;
- promotion of freedom of association and the right to collective bargaining;
- elimination of discrimination in the workplace; and
- elimination of forced and compulsory labor.

**STEP-BY-STEP**

The effect to the principles of the Declaration is monitored by ILO through a periodic survey in the member states. ILO analyses the multinational enterprises, but stresses that the term “multinational enterprise”, as applied in the Declaration, refers to parent or subsidiary companies, or both, or even to the group as a whole, according to how responsibilities are shared among them, and based on the premise of mutual cooperation and help to fully comply with the Declaration principles.

**REFERENCE**

[http://training.itcilo.it/actrav/ils_pl/guia&decl/declaemn.pd](http://training.itcilo.it/actrav/ils_pl/guia&decl/declaemn.pd)

**TIP**

_Instituto Observatório Social_

[www.observatoriosocial.org.br](http://www.observatoriosocial.org.br)

The Instituto Observatório Social is an initiative of CUT Brazil in cooperation with CEDEC (Center of Studies of Contemporary Culture), DIEESE (Inter-Union Department of Statistics and Socio-Economic Studies) and UNITRABA-LHO (Inter-University Network of Studies and Researches on Work).

The Instituto Observatório Social is an organization that studies and analyzes the behavior of multinational, national and state companies in relation to the fundamental rights of workers. These rights are assured principally by the International Labour Organization (ILO) conventions that deal with freedom of association, collective bargaining, child labor, forced labor, discrimination against gender and race, the environment, health and occupational safety.

The project. The creation of the Instituto Observatório Social was based on the discussion about the adoption of social and environmental clauses in international trade agreements. The proposal’s guidelines were drafted in 1997 based on the ILO Conventions.

The first step of the study methodology adopted by the Instituto Observatório Social is to make use of information disclosed in websites, newspapers, etc such as controlling interest, history, environment- and labor-related accusations.

Next, interviews with workers, union leaders and businessmen are carried out. The analysis is based on ILO Conventions, Social Charters, the Social-Labor Declaration, Companies’ Voluntary Codes of Conduct, OECD Guidelines for Multinational Enterprises and Social Policy, UN Global Compact and other standards advocated by the International Trade Secretariats (ITSs) and by the International Confederation of Free Trade Unions (CIOLS).

The study can be accessed by entering the company name followed by the sector or theme: Environment, Freedom of Association, Child Labor, etc.
WHAT IT IS
A guide that presents the international standards updates aiming to encourage their diffusion to and ratification by Member States.

OBJECTIVE
Diffusing the International Labour Standards and promoting their application, as well as encouraging the Member States to build a world in which each man and woman can have decent working conditions.

ORIGIN
In the early 1990s, ILO endeavored to systematically update and strengthen its standards system. The efforts were particularly positive for the eight fundamental Conventions due to the ratification campaign launched in 1995, and the adoption in 1998 of the Declaration on Fundamental Principles and Rights at Work and its Follow-up. ILO already has 6,800 ratifications to its Conventions. The International Labour Standards are mainly expressions of tripartite agreements with a unique global legislative process.

In 2002, 71 (out of 184) conventions, 5 protocols and 73 recommendations (out of 1,945) were updated. Another tool is underway including a database with analysis per country. This database is available on the ILO website and presents information to each Member State about updated conventions to be ratified, besides data on legislation and States’ practices concerning the Standards. The referred tool, as well as the database, meets a request by the ILO’s Governing Body aimed at diffusing their work.

CONTENT
Chapter 1. Freedom of association, collective bargaining, and industrial relations
Chapter 2. Forced labour
Chapter 3. Equality of opportunity and treatment
Chapter 4. Elimination of child labour and protection of children and young persons
Chapter 5. Labour administration and inspection
Chapter 6. Tripartite consultation
Chapter 7. Employment policy and promotion
Chapter 8. Vocational guidance and training
Chapter 9. Social policy
Chapter 10. Wages
Chapter 11. Working time
Chapter 12. Occupational safety and health
Chapter 13. Social security
Chapter 14. Maternity protection
Chapter 15. Seafarers
Chapter 16. Dockworkers
Chapter 17. Migrant workers
Chapter 18. Indigenous and tribal peoples
Chapter 19. Specific categories of workers

Since its creation, ILO and its tripartite structures have built an international labor standards system through a set of Conventions and Recommendations. The ILO’s Conventions are international treaties subject to ratification by ILO member countries. Recommendations are non-binding instruments addressing the same subjects as Conventions, which set out guidelines for national policies and action.

Updated conventions and recommendations are marked with an asterisk beside their title. Among them, eight conventions followed by six recommendations address the Fundamental Rights at Work; another four conventions followed by six recommendations were designated as "priority". The international and priority conventions are clearly identified in the guide by a note on the page’s margin.

The guide comes with a CD-ROM that provides further information.

STEP-BY-STEP
Out of the 183 ILO Conventions approved until June 2001, the ILO’s Governing Body has identified eight of them as “fundamental” and they are also covered in the ILO Declaration on Fundamental Principles and Rights at Work (1998).

• Nº 29 - Trabalho forçado (1930) - • No. 29 - Forced Labour (1930). Requires the suppression of forced or compulsory labor in all its forms. For the purposes of the Convention, the term “forced labour” does not include such as obligations as military service; work or service which is part of normal civic obligations; work or service exacted as a consequence of a convic-
tion in a court of law, under certain conditions; work exacted in cases of emergencies such as wars, fires, earthquakes, etc.


• No. 87 - Freedom of Association and Protection of the Right to Organise (1948). Establishes the right of all workers and employers to form and join organizations of their own choosing without prior authorization, and lays down a series of guarantees for the free functioning of organizations without interference by the public authorities.


No. 98 - Right to Organise and Collective Bargaining (1949). Provides for protection against anti-union discrimination, for protection of workers’ and employers’ organizations against acts of interference by each other, and for measures to promote and encourage collective bargaining.


• No. 100 - Equal Remuneration (1951). Calls for equal pay for men and women for work of equal value.

www.ilo.org/public/portugue/region/ampro/brasilia/info/download/conv_100.pdf

• No. 105 - Abolition of Forced Labour (1957). Prohibits the use of any form of forced or compulsory labor as a means of political coercion or education, or punishment for the expression of political or ideological views; workforce mobilization for purposes of economic development, labor discipline, punishment for participation in strikes, or discrimination.


• No. 111 - Discrimination in Respect of Employment and Occupation (1958). Calls for a national policy to eliminate discrimination in access to employment, training and working conditions, on grounds of race, color, sex, religion, political opinion, national extraction or social origin and to promote equality of opportunity and treatment.


• No. 138 - Minimum Age (1973). Aims at the abolition of child labor by setting the minimum age as not less than the age for completing compulsory schooling.


• No. 182 - Worst Forms of Child Labour (1999). Calls for immediate and effective measures to secure the prohibition and elimination of the worst forms of child labor as a matter of urgency.


These Conventions must be ratified and adopted by all ILO’s Member States. Another four Conventions refer to subjects of special importance and were considered as “priority”:

• No. 144 - Tripartite consultation (1976). Provides for effective consultation between the representatives of the government, of employers and of workers on international labor standards.

www.ilo.org/public/portugue/region/ampro/brasilia/info/download/conv_144.pdf

• No. 81 - Labour inspection (1947). Oblige the maintenance of a system of labor inspection in industrial, commercial and agricultural workplaces. Such systems must operate to the standards set in these instruments.


• No. 129 - Labour inspection (Agriculture) (1969). Oblige the maintenance of a system of labour inspection in industrial, commercial and agricultural workplaces. Such systems must operate to the standards set in these instruments.


The remaining Conventions have been classified into 12 categories.

1. Basic human rights
2. Employment
3. Social policy
4. Labour administration
5. Industrial relations
6. Conditions of work
7. Social security
8. Employment of women
9. Employment of children and young persons
10. Migrant workers
11. Indigenous workers
12. Other special categories

REFERENCE


United Nations Development Programme - UNDP

Global Compact

“Let us choose to unite the power of the market with the authority of universal ideals.”

Kofi Annan

O QUE É

It is a business agreement drawn up by the United Nations that seeks to bring the power of the market together with UN agencies, labor and civil society to support universal environmental and social principles so that business can be part of the solution to the challenges of globalization.

ORIGEM

In January 1999, during the World Economic Forum in Davos (Switzerland), that annually gathers world political and business leaders, the former Secretary-General of the United Nations, Kofi Annan, launched the idea of a partnership among the United Nations, non-governmental organizations and companies, called Global Compact. This initiative comes immediately following the anti-globalization demonstrations during the World Trade Organization (WTO) meeting in Seattle.

OBJETIVO

According to the UN, the Global Compact aims to provide a reference framework to help unite companies and the private sector around universal values.

CONTEÚDO


Human Rights Principles
1. Businesses should support and respect the protection of internationally proclaimed human rights;
2. Businesses should make sure they are not complicit in human rights abuses.

Labor Standards Principles
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. Businesses should support the elimination of all forms of forced or compulsory labor;
5. Businesses should support the effective abolition of child labor;
6. Businesses should support the elimination of discrimination in respect of employment and occupation.

Environment Principles
7. Businesses should support a precautionary approach to environmental challenges;
8. Businesses should undertake initiatives to promote greater environmental responsibility;
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption Principle
10. Businesses should work against corruption in all its forms, including extortion and bribery.

STEP-BY-STEP

In order to be considered a signatory by the New York office, the organizations must do the following:

1. Send a letter to the Secretary-General of the United Nations expressing support for the Global Compact and its principles. That means:
   a) Informing employees, shareholders, consumers and suppliers;
   b) Integrating the Global Compact and its principles into the corporate development programs and training;
c) Incorporating the Global Compact and its principles into the company’s mission statement;

d) Publishing in its annual report or similar public corporate report a description of the ways in which it is supporting the Global Compact and its principles;

e) Publicly advocating the Global Compact and its principles via communications vehicles such as press releases, speeches, etc.

The letter should be sent to:
Secretary General
United Nations
Secretariat Building
New York, NY, 10017
USA
Fax: 1 212 963 1207.
E-mail: globalcompact@un.org

It is important to mention the company does not incur any cost in participating in the Global Compact.

2. The Global Compact requests that companies publish their annual “Communication on Progress” regarding the ten Principles implementation. This publication can be made through the annual report, the sustainability report or any other media, such as website or other communications vehicles.

RESULTS

The initiative has now grown to over 4,000 participants in over 90 countries. Among them, some of the most influential corporations in the world such as Citibank, HSBC, Shell, and Coca-Cola.

Brazil has currently 229 signatory organizations. The Brazilian Global Compact Committee was set up to encourage companies to participate in the pact and improve their existing management practices. http://www.pactoglobal.org.br/

Appointed by former United Nations Secretary-General, Kofi Annan, two Brazilians — the President of Petrobras and the President of Instituto Ethos — are among the 20 members of the newly created GC Board, aimed at helping ensure the initiative’s continuity and foster its growth, besides helping in the implementation of transparency measures.

REFERENCE
www.unglobalcompact.org

TIP

Aiming to help participants understand and implement the Global Compact and its Principles, a CD-ROM has been launched — The Global Compact Resource Package.

This CD covers the three main areas — human rights, labor rights and environment — with several sections including presentations and case studies.

This kit was developed by the International Labour Organization (ILO) and the United Nations Environment Program (Unep), with the collaboration of the following United Nations agencies: Office of the High Commissioner for Human Rights (OHCHR), United Nations Industrial Development Organization (UNIDO), and the United Nations Development Program (UNDP).

REFERÊNCIA
UN Millennium Development Goals

Achieving the Millennium Development Goals will require a global partnership suitable for an interconnected world. The world truly shares a common fate.

Jeffrey D. Sachs

WHAT IT IS

A document that consolidated several targets defined in world conferences held along the 1990s, and set goals to address development and extreme poverty – the so-called Millennium Development Goals (MDGs) – which are to be achieved by the United Nations’ Member States by 2015.

ORIGIN

In September 2000, the United Nations Organization held the Millennium Summit, the largest meeting of world leaders of all times, with the participation of 147 Heads of State and Government and representatives of 189 countries. The debate resulted in the adoption of the Millennium Declaration, which acknowledges the potential of technology and knowledge to solve most problems faced by the poor nations. So far, such solutions have not been satisfactorily implemented. Nevertheless, the establishment of time-bound and quantifiable goals represent a major achievement of the international community.

CONTENT

The eight goals are:
1 - Eradicate extreme poverty and hunger.
2 - Achieve universal primary education.
3 - Promote gender equality and empower women.
4 - Reduce child mortality.
5 - Improve maternal health.
6 - Combat HIV/AIDS, malaria and other diseases.
7 - Ensure environmental sustainability.
8 - Develop a global partnership for development.

A framework of 8 goals, 18 targets and 48 indicators to measure progress towards the Millennium Development Goals at global, regional and national level was defined.

The Millennium Development Goals monitoring should take into account nationally-determined priorities. This way, each country should develop its own monitoring.

The MDGs are the farthest-reaching strategy ever drawn up by the United Nations to promote human development among its Member States. It has a unique role in the global fight against extreme poverty.

RESULTS


• Roteiro das Metas (Guide to the MDGs) – A brief presentation of the Road Map towards the implementation of the United Nations Millennium Declaration (Execution Plan of the United Nations Millennium Declaration), drawn up by the former UN Secretary-General, Kofi Annan.

- Uma apresentação sumária do Road Map towards the implementation of the United Nations Millennium Declaration (Plano para a Execução da Declaração do Milênio das Nações Unidas), elaborado pelo ex-secretário geral da ONU, Kofi Annan.


TIP 1

The Human Development Atlas in Brazil is a unique contribution to assessing the MDGs. Its disaggregate data go beyond the averages, allowing for both the verification of the starting point and progress of the populations well-being in each part of the Brazilian territory. It is a geo-referenced database containing social and economic information on the 5,507 Brazilian municipalities: dozens of indicators such as population (total, rural, urban, by gender, age group, etc.), per capita income (individual, household, total, from wages, etc.), literacy rate (by gender, race, age group, etc.), mortality rate, HDI, and others. The software generates maps (Brazil, regions, States), municipal profiles, tables, statistics, etc., from the 1991 and 2000 censuses (IBGE - Brazilian Geographic and Statistic Institute).

by the federal government and the United Nations System in Brazil present the first analysis of the Bra-
zilian progress towards each one of the eight Millenn-
ium Development Goals.

• Agenda 21 and the Millennium Development Goals – Public-
ation addressing MDGs- and Agenda 21-related opportunities at local level.

• Brazilian Monitoring Report on the Millennium Development Goals – English version of the first report on the Brazilian performance in each one of the eight Millennium Development Goals.

• 2006 Report on the Millennium Development Goals – Pro-
duced by the United Nations Department of Economic and Social Affairs (UNDESA), assesses the global progress towards the Millennium Development Goals.

• 2005 Report on the Millennium Development Goals – a UN study summarizing the progress of different regions in the world towards the Millennium Develop-
ment Goals.

REFERENCE
www.nospodemos.org.br
www.undp.org
www.pnud.org.br

TIP 2
Brazil has a ninth goal
There is no point in only improving the overall statistics without offering equal conditions to all ethnicities. For this reason, the UN has set a ninth goal for Brazil, effective as of 2006: to ensure that the improvements achieved by the millennium development goals promote equal opportunities for blacks and whites. This goal was named “the millennium development goals without racism”, and will be taken into account in the final results of the campaign. In other words, we will only achieve the eight goals if, by 2015, blacks and whites enjoy equal opportunities.

TIP 3
The Millennium Project recommends a global strategy to help nations change the course against poverty. By using the targets set by the Millennium Development Goals, the recommendations made by the Project can be summarized in:

• Planning for 2015;
• Pursuing the Millennium Development Goals as minimum targets in developing countries;
• Specification on how donor countries should act regarding their commitments to assistance, trade and debt relief so as to help Least Developed Countries actually achieve the Millennium Development Goals.

The bulk of the Project is carried out by ten thematic task forces comprising over 250 experts from all over the world, including: researchers and scientists, policy-makers, NGOs representatives, UN agencies, World Bank, IMF and the private sector. In the last three years, the task-forces have carried out deep research in their specialized areas aiming to make recommendations towards achieving the Millennium Development Goals.

The main Millennium Project recommendation is that the Millennium Development Goals must be at the core of the national and international poverty reduction strategies. For this purpose, developing countries must undertake strict “needs analyses” to identify their progress towards the Goals and what interventions are necessary for them to get back on the track for 2015.

In order to help everyone meet the Millennium Development Goals, donor countries must do their share in this global pact. The Goals have a specific target for the establishment of a “global partnership for de-
velopment”. It states the need of high-income countries substantially increasing their official development assistance (ODA) to fight poverty in low-income countries.

The Project’s findings show that developing countries, including the least developed ones, that are adopting “MDG-based poverty reduction strategies” and receiving ODA (0.7% of GDP) committed by rich countries, can meet the Millennium Development Goals by 2015.

www.pnud.org.br/milenio/arquivos/ResumodoProjeto.pdf
Earth Charter

“It is one of the most comprehensive texts written lately – one with the power to receive the new Millennium. It gathers what is best in the ecological thinking, the safest results of life and universe sciences, and is strongly ethical and spiritual.”

Leonardo Boff

WHAT IT IS

“This document is an answer to the threats to the planet as a whole and a way the articulate all the thinking around the ecological and social issues, having the Earth as the central focus.”

ORIGIN

“This document was proposed in 1992 at the Earth Summit in Rio de Janeiro and, for reasons not worth discussing here, it was rejected. The Rio Declaration on Environment and Sustainable Development was adopted in its place, thus preventing the Agenda 21, the most important Rio – 92 document, from having a sound basis and an integrated view. Displeased with that, the organizers, especially Maurice Strong from the UN and Mikhail Gorbachev, acting as president of Green Cross International, raised the idea of creating a bottom-up world movement to draft an Earth Charter. This document should translate the humankind needs and wishes for its shared home, the Earth. Following several meetings, the Earth Charter commission was created in 1997, comprising 23 personalities from several continents (I represented Brazil), to monitor a global consultation process and draft the Earth Charter. For two years, numerous meetings involving 46 countries and over 100 thousand people, including slum dwellers, indigenous communities, academia and research institutes took place until early March 2000, when at a meeting held at UNESCO headquarters, in Paris, the final version of the Earth Charter was approved.”

CONTENT

“It is one of the most comprehensive texts written lately – one with the power to receive the new Millennium. It gathers what is best in the ecological thinking, the safest results of life and universe science, and is strongly ethical and spiritual.”

Leonardo Boff

Earth Charter Summarized Principles:

1. Respect Earth and life in all its diversity.
2. Care for the community of life with understanding, compassion and love.
3. Build democratic societies that are just, participatory, sustainable and peaceful.
4. Secure Earth’s bounty and beauty for present and future generations.
5. Protect and restore the integrity of Earth’s ecological systems, with special concern for biological diversity and the natural processes that sustain life.

See the full content at:
www.mma.gov.br/estruturas/agenda21/_arquivos/carta_terra.doc
6. Prevent harm as the best method of environmental protection and, when knowledge is limited, apply a precautionary approach.

7. Adopt patterns of production, consumption and reproduction that safeguard Earth’s regenerative capacities, human rights and community well being.

8. Advance the study of ecological sustainability and promote the open exchange and wide application of the knowledge acquired.

9. Eradicate poverty as an ethical, social and environmental imperative.

10. Ensure that economic activities and institutions at all levels promote human development in an equitable and sustainable manner.

11. Affirm gender equality and equity as prerequisites to sustainable development and ensure universal access to education, health care and economic opportunity.

12. Uphold the right of all, without discrimination, to a natural and social environment supportive of human dignity, bodily health and spiritual well-being, with special attention to the rights of indigenous peoples and minorities.

13. Strengthen democratic institutions at all levels, and provide transparency and accountability in governance, inclusive participation in decision-making, and access to justice.

14. Integrate into formal education and lifelong learning the knowledge, values and skills needed for a sustainable way of life.

15. Treat all living beings with respect and consideration.

16. Promote a culture of tolerance, non-violence and peace.

OBJECTIVE

“The collective dream proposed is not that of a ‘sustainable development,’ which arises from the political economy’s intrasystemic view. Rather, it is that of a ‘sustainable way of life,’ that cares for every living being, mainly all forms of life and the sense of collective interdependence and shared responsibility for the destiny of the Earth and mankind. It envisions ‘humanity as part of this huge evolving universe’ and the ‘Earth as our home and a living being. It also implies living the ‘sense of kinship with all forms of life, ‘with reverence for the mystery of existence, gratitude and humbleness, our place in nature’. It proposes an ethics of caring that rationally uses scarce natural resources without jeopardizing either the natural capital or the future generations, who also have the right to a sustainable planet and quality of life.”

RESULTS

“The four main trends of ecology — environmental, social, mental and integral — are well articulated with strength and beauty. If approved by the UN, the Earth Charter will be added to the Universal Declaration of Human Rights. This way we will have a holistic view of the Earth and the Humanity as a living organism, subject to dignity and rights.”

REFERENCE

www.leonardoboff.com

Texto de Leonardo Boff, Teólogo, Membro da Comissão da Carta da Terra.


See also

CARTA DA TERRA DOS POVOS INDÍGENAS (Earth Charter of Indigenous Peoples)

www.museu-goeldi.br/NPI/docs/POVOS%20INDI%20GENAS.doc
Agenda 21

WHAT IT IS

The Agenda 21 is the global policy blueprint for action towards sustainable development to be adopted on a global, national and local scale by the United Nations system organizations, governments and civil society in all areas where the human action impacts on the environment. It translates a global consensus and political commitment, establishing a permanent and constructive dialogue aiming to reach a more effective and equitable global economy. It is considered as the most daring and comprehensive attempt to promote a new development pattern in the planet for the 21st Century, harmonizing methods of environmental protection, social justice and economic efficiency. The Agenda 21 follows the principle “Think globally, act locally.”

OBJECTIVE

The Agenda presents the objectives to be met by the societies in order to achieve sustainability. It is a public and participatory process for planning and implementing sustainable development policies through the mobilization of the society to make such policies, share the solutions and set the priorities based on the sustainability tripod (environmental, economic and social). The governments’ role is to facilitate the implementation of this process.

• Partnership and awareness: the Agenda 21 is a political and participatory process aimed at planning and implementing policies and actions towards sustainable development. In this sense, it is an important tool for environmental awareness-raising and mobilization of citizens in the policy-making process, consolidation of social responsibility and strengthening of participatory and democratic mechanisms.

• Commitment to solutions: The document established that each country should rethink locally and globally about how governments, companies, non-governmental organizations, and all sectors of society can cooperate to solving social and environmental problems.

• Setting priorities: The Agenda 21 is based on a participatory planning process of analysis of the current situation of a country, State, city and/or region, and planning of a sustainable future. This effort creates opportunities for societies and governments to set priorities in public policy.

• Social, environmental and economic issues: the Agenda 21 is not limited to Nature preservation and conservation issues, but to a proposal of going beyond the economic development alone to give room to a broader sense of sustainability, bringing the environmental and social agendas together by stressing the interrelation between social and environmental factors and the need to face environmental degradation side by side with the problem of global poverty.

• The governments’ responsibility: The governments are committed to triggering and facilitating the implementation process at all levels. Besides the governments, the Agenda 21 calls for the mobilization of all segments of society, referring to them as “relevant players” and “sustainable development partners”.

• A social process: Making it come true is primarily a social process in which all parties involved gradually reach new consensus and build a feasible Agenda towards a sustainable future.

ORIGIN

The Global Agenda 21 was created starting from the contribution of governments and civil society institutions of 179 countries in a preparatory process that lasted two years, and eventually led to the 1992 United Nations Conference on Environment and Development in Rio de Janeiro – also known as Rio - 92.

The Agenda 21 implementation program and the commitments to the Rio Charter of Principles were ratified at the Johannesburg Summit, or Rio Declaration + 10/2002.

Besides the Agenda 21, four agreements resulted from this whole process:

• Rio Declaration,
• Statement of Principles for the Sustainable Management of Forests;
• Convention on Biological Diversity; and
• Convention on Climate Changes.

CONTENT

The Agenda 21 is concerned with current urgent problems and aims to prepare the world for the 21st Century challenges. The document has 40 chapters divided into four sections:

Section I: Social and Economic Dimensions, Chapters 2-8 – how environmental problems and solutions are connected to those of poverty, health, trade, debt, consumption and population.

Section II: Conservation and Management of Resour-
ces for Development, Chapters 9-22 - how natural resources, including land, ocean, energy, and waste must be managed to ensure sustainable development.

Section III: Strengthening the Role of Major Groups, Chapters 23-32 – including minority groups towards sustainable development.

Section IV: Means of implementation, Chapters 33-40 – including funding and the role of several governmental and non-governmental activities. Detailed contents at: www.ambiente.sp.gov.br/agenda21/indice.htm

A maioria das áreas de programa tem a seguinte estrutura:
- preamble called ‘basis for action’, explaining issues;
- list of ‘objectives’;
- list of ‘activities’ for several participants;
- cost estimate; and
- ‘means of implementation’ with headings such as: technical and scientific means, human resources development, and capacity building.

RESULTS

The Agenda 21 translates the sustainable development concept into actions. Each country must develop its own Agenda 21. Whether as a participatory process or a product thereof, it is a complementary and fundamental instrument to other development planning and management instruments. It also serves as diagnosis of social actors regarding the environmental reality and development of a specific region.

The Brazilian Agenda 21 – Coordinated by the Commission for Sustainable Development Policies – CPDS, the Brazilian Agenda 21 was drafted from the Global Agenda 21 guidelines, from 1996 to 2002, as a result of a broad public consultation to the Brazilian population involving around 40 thousand people countrywide. Implementation phase started in 2003, when the current government conferred it the status of Multiannual Plan Program, PPA 2004-2007. This status brings more importance and capillarity as public policy. The Brazilian Agenda 21’s principles and strategies have served as input for the National Conference on Environment, Conference on Sustainable Cities, and Conference on Health.

The priority now is to provide guidance on the development and implementation of Local Agenda 21 based on the principles of the Brazilian Agenda 21, which acknowledges the importance of local actions towards sustainable public policy actualization.

There are currently over 544 Local Agendas 21 processes underway in Brazil, nearly threefold the number presented in 2002.

Site Agenda 21 Brasileira

The Brazilian Agenda 21 priority actions comprise social inclusion programs aiming at providing access to education, health and income distribution to the whole population, urban and rural sustainability, natural and mineral resources conservation, and political ethics in planning towards sustainable development. The most important action, according to this study is the planning of the sustainable production and consumption system against the wasteful culture.

CPDS participants:
- Ministry of Environment
- Ministry of Planning, Budget and Management
- Ministry of Science and Technology
- Ministry of Foreign Relations
- Ministry of Special Projects
- Social Policies Chamber
- Brazilian Forum of NGO’s and Social Movements
- Fundação OndAzul (OndAzul Foundation)
- Conselho Empresarial para o Desenvolvimento Sustentável (Business Council for Sustainable Development)
- Universidade Federal de Minas Gerais (Minas Gerais Federal University)
- Fundação Getúlio Vargas (Getúlio Vargas Foundation)

The Local Agenda 21 development meets the need for building management and planning tools for sustainable development. The Local Agenda 21 process can be initiated either by the public power or the civil society. In fact, the Local Agenda 21 is a process and reference document for municipal Master Plans and budgets, among others. It can also be developed by rural communities and in different territories, districts, protected areas, hydrographic basins. The Agenda 21 has been increasingly demanded by schools, companies and Brazilian biomes, with very successful experiences that enhance the actions performed by relevant sectors.

Passo-a-passo da Agenda 21 Local

Site da Agenda 21 Local
www.agenda21local.com.br

REFERENCE
http://pt.wikipedia.org/wiki/Agenda_21
www.crescentefertil.org.br/agenda21/index2.htm
Corporate Governance Principles and Guidelines

3.1 OECD - Principles of Corporate Governance and Economic Development
3.2 IBGC - Code of Best Practices for Corporate Governance
3.3 CVM - Guide of Best Practices for Corporate Governance
3.4 FDC - Sustainability and Corporate Governance Assessment Tool
Principles of Corporate Governance and Economic Development

Organisation for Economic Co-operation and Development – OECD

“Corporate Governance looks at the institutional and policy framework for corporations - from their very beginnings, in entrepreneurship, through their governance structures, company law, privatisation, to market exit and insolvency. The integrity of corporations, financial institutions and markets is particularly central to the health of our economies and their stability”.

WHAT IT IS
The OECD Principles of Corporate Governance are internationally recognized and are aimed at ensuring the corporations’ integrity in their management processes, relations with stakeholders, as well as their health and stability.

ORIGIN
The OECD Principles of Corporate Governance were developed in 1998 by several OECD committees, such as the Committee on Financial Markets, Investments Committee, Committee on Industry, and Environmental Policy Committee. In addition, the World Bank, the International Monetary Fund, trade unions and the business sector, among others, provided data for the necessary research.

OBJECTIVE
The Principles are intended to assist OECD and non-OECD governments in their efforts to evaluate and improve the legal, institutional and regulatory framework for corporate governance in their countries and to provide guidance and suggestions for stock exchanges, investors, corporations, and other parties that have a role in the process of developing good corporate governance.

CONTENT
The Principles are based on experiences of national initiatives developed in the member countries and previous work carried out within the Organization, including that of the Business Sector Advisory Group on Corporate Governance to the OECD. The principles described below are the basis member countries consider essential for the development of good corporate governance practices. The Principles are intended to be concise, clear, and accessible to the international community.

I. Ensuring the Basis for an Effective Corporate Governance Framework
The corporate governance framework should promote transparent and efficient markets, be consistent with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and enforcement authorities.

II. Direitos dos acionistas e principais funções da propriedade
The corporate governance framework should protect and facilitate the exercise of shareholders’ rights.

III. The Equitable Treatment of Shareholders
The corporate governance framework should ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights.

IV. The role of Stakeholders in Corporate Governance
The corporate governance framework should recognize the rights of stakeholders established by law or through mutual agreements and encourage active cooperation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.

V. Disclosure and Transparency
The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company.

VI. The Responsibilities of the Board
The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of the management by the board, and the board’s accountability to the company and shareholders.

REFERENCE
www.oecd.org
www.ibgc.org.br/ibConteudo.asp?iDArea=320&iDp=263
http://usinfo.state.gov/journals/ites/0205/ijep/oecd.htm

www.oecd.org
3.2 IBGC

Code of Best Practices for Corporate Governance

Instituto Brasileiro de Governança Corporativa - IBGC

"Corporate Governance is a system through which business entities are directed, administered and controlled involving the relationships among Shareholders, Board of Directors, Executive Board, Independent Auditing, and Fiscal Council. The good practices of corporate governance aim at increasing the entity’s value, facilitating its access to capital, and contributing to its perpetual existence."

source: www.ibgc.org.br

WHAT IT IS

It is a Code that aims to improve the governance standard of national companies.

COUNTRY

Brazil

ORIGIN

Created on November 27, 1995, IBGC – a non-profit domestic business entity, aims to become the "main national reference in corporate governance; develop and diffuse the best concepts and practices in Brazil, thus contributing to the improved performance of corporations towards a more equitable, responsible and transparent society".

IBGC developed the Code of Best Practices for Corporate Governance, in Brazil, launched in May 1999. The Code was revised and updated in 2001. The third version, revised and extended, was launched in 2004.

OBJECTIVE

In addition to gathering, organizing and maturing all corporate governance-related key issues and changes, this new version of the Code intends to be a methodological document that provides clarifications to market agents on the most relevant recommendations and concepts regarding governance. The Code provides the basic elements for the effective application of good corporate governance practices in Brazil in order to improve the companies’ competitiveness.

The main objective of this Code is to show alternatives for all types of business entities – whether publicly-held, privately-held, or limited liability companies – aiming to:

• Increase company value;
• Improve performance;
• Facilitate access to capital at lower cost;
• Contribute to its perpetual existence.

CONTENT

O Código está dividido em seis capitulos:

• Ownership (Shareholders),
• Board of Directors,
• Management,
• Independent auditors,
• Fiscal Council,
• Conduct and Conflict of Interests.

The basic principles inspiring the Code are:

• Transparency,
• Equity,
• Accountability,
• Corporate Responsibility.

It is worth mentioning that the new version of the Code resulted from comments made from users, i.e., national and international market agents, class associations, and individuals with renowned expertise in the issue.

REFERENCE

www.ibgc.org.br
www.ibgc.org.br/imagens/StConteudoArquivos/Codigo%20IBGC%20Versao%203.pdf
www.ibgc.org.br/ibConteudo.asp?IDArea=3
Cartilha de Boas Práticas de Governança Corporativa

Comissão de Valores Mobiliários – CVM
(Securities and Exchange Commission of Brazil)

“What it is

It is a Guide of Best Practices for Corporate Governance, comprising 23 recommendations of transparency rules in the company’s relations with the market. The adoption of such practices usually implies higher behavior standards than those required by law, or by CVM itself.

Country

Brazil

Origin

CVM is a federal agency linked to the Ministry of Finance, although with no hierarchical subordination. CVM is empowered to discipline, rule, and supervise the activities of all market participants. Its regulatory activities encompass all matters related to the Brazilian securities market.

This guide was based on 25 years of CVM experience, the analysis of several countries’ experiences, research reports and national and international governance codes.

Objective

Its objective is to provide guidance on issues that can significantly impact the relations among managers, directors, independent auditors, controlling shareholders and minority shareholders.

Under the motto “practice or explain”, CVM expects all companies to explain why they may not adopt some or all rules.

The recommendations are broken into four areas:

• transparency of ownership structure;
• equity among shareholders;
• minority shareholder protection; and
• clarity in accounting and auditing.

Content

The Guide has the following themes:

I. Transparency of ownership and control, shareholder meetings;
II. Structure and responsibilities of the board of directors;
III. Minority shareholder protection;
IV. Accounting and auditing.

Reference

www.cvm.gov.br/port/public/publi/cartilha/cartilha.doc
Code of Best Practices for CG
WHAT IT IS
This tool sums up both the historical perspective and future state of the art trends in the articulation between concepts and practices regarding Sustainability and Corporate Governance (SCG), thus enabling the development of an agenda that joins the premises of the sustainable development movement and the role of corporate governance in the organizations.

ORIGIN
The IASGC is the result of a research carried out in 2006 by the Fundação Dom Cabral’s Reference Center on Responsible Management for Sustainability, which gathers a distinguished group of major Brazilian and multinational organizations. Its mission is to develop management practices that contribute to the country’s and world’s sustainability. Theoretical and practical investigations have been carried out in the development of this tool, including bibliographic research, participation in relevant events, involving specialized institutions that are designing and adopting benchmark sustainability and corporate governance practices. The results showed the need to adjust the corporate governance to the sustainable development movement.

The concept model guiding the Reference Center’s initiatives is based on a tripod comprising: Responsible Management towards Sustainability – business management focused on sustainability; Conscious Organizations – organic and humanely conscious perception of the organizations’ living reality, and Biosystem Thinking – the exercise of perception, reflection and development of attitudes and actions based on the recognition of natural principles.

This “Biosystem Thinking” was used to clarify the relationship between sustainability and governance. It identifies the vital dynamics present in the organizations’ internal and external interactions. This logic is symbolically represented by the biogram, which on its first complexity level describes the mutual relationship of smaller organisms within bigger ones.

Aimed at companies in general, the biogram is concentric circle-shaped showing the dimensions of organisms ranging from the most central to the most comprehensive in the following order: individual, organization, market, society, and planet.

As for the SCG-oriented biogram, the organisms ordered in concentric circles assume, in broad terms, the following configuration: shareholder, board of directors, special committees, CEO, executive board, organization, market; society, and planet.

Organizational Biogram
Sustainability and Corporate Governance (SCG)
OBJECTIVE

The tool aims to evaluate the sophistication level of the Sustainability and Corporate Governance practiced by the organization, thus enabling a better strategic positioning regarding the theme so as to promote its longevity in harmony with the sustainability of the markets, society, and natural resources involved.

CONTENT

The tool’s structure is based on the SCG biogram. There are a series of questions for each organism addressing items that identify to what extent the governance is adjusted to sustainability, which should be assessed in a scale ranging from 0 to 4, as follows: 0 = not applicable (due to company size or other reason); 1 = nonexistent (there is no intention to adjust to the item); 2 = there is the intention to adjust to the item; 3 = partially adjusted (some processes must be systematized); 4 = adjusted (processes fully systematized). This scale measures the applicability of the question in relation to the company’s reality and the level of internalization of the assessed item.

The term “Board of Directors” is used in the IASGC. For those companies not having a Board of Directors, the highest corporate governance body should be considered. This applies to all governance structures not formally established in the company, that is, the referred structure should match the one closest to the company’s.

PASSO-A-PASSO

Appoint one or more specialists in the issue addressed and representatives of the company’s strategic level to answer the IASGC questions. Once the questionnaire has been answered, analyze the answers aiming to identify the main gaps in the governance adjustment to sustainability. Depending on the company’s reality, the governance adjustment actions could be planned to strategically focus on the needs of the organization and the relevant stakeholders.

RESULTADOS

The results directly associated with the use of this tool are:

- Promotion of the enterprise’s longevity;
- Adjustment of the governance to the sustainability principles;
- The company might become a benchmark in sustainability.

An organization can become a benchmark in a certain aspect of SCG through formal recognition such as important awards, visibility in the specialized media, invitations to official events of renowned institutions to present its experiences and/or to be paid special homage, and reports of cases in prestigious publications.

REFERENCE

www.fdc.org.br

Note: The companies comprising the FDC’s Reference Center on Responsible Management for Sustainability are Anglogold Ashanti, Construtora Andrade Gutierrez, Sadia, TIM, Souza Cruz, Banco Itaú, Banco Real, Arcelor (Belo Mineira and CST), and Philips.
4

Sectoral Principles and Guidelines

4.1 Introduction
4.2 IFC - Equator Principles
4.3 UN - Kyoto Protocol
4.4 BOVESPA
Corporate Sustainability Index in the Stock Markets
Brazil and the SRI sector
The São Paulo Stock Exchange and the ISE
4.5 ICMM - ICMM Principles
4.6 WBCSD - Cement Sustainability Initiative (CSI)
4.7 ABRAPP - Basic Principles of Social Responsibility
Some sectors have structured themselves to advance social responsibility practices. These experiences show the expansion of the movement and show that social responsibility tend to be a general concern of businesspeople who wish long-term sustainability for their businesses.

Many businesspeople are already under pressure from the external market to maintain a high level of respect for the environment and the human rights, which means reorganizing labor procedures, updating equipment, and implementing practices that are less harmful to the ecosystems.

These initiatives contribute to increasing the exports and transparently disclosing to the society how these sectors and their production chains work, enabling the consumer to identify how the items have been produced with regard to the environment and the human rights.

The Instituto Carvão Cidadão – ICC (Citizen Charcoal Institute) and the Instituto do Algodão Social – IAS (Social Cotton Institute) are examples of initiatives by the producers and businesspeople for the social responsibility of their sectors. In order to embed the social responsibility principles in their sector, these institutes provide guidance to their members and inspect all the steps of the production chain.

• ICC has been created by seven steel plants in the State of Maranhão, one of the states on the top of the ranking of forced labor or similar to slave labor, according to the Ministry of Labor file (also know as “blacklist”). Besides inspecting from charcoal extraction to final processing, ICC also develops the work of social insertion of people that have been subject to this form of labor, offering openings for these workers in the reforestation of associated plants.

www.carvaocidadao.org.br

• ICC was created in September 2005 by the Associação Matogrossense dos Produtores de Algodão (Mato Grosso Association of Cotton Producers). Its goal is similar to ICC’s, that is, inspect and raise the awareness of cotton producers about the importance of social responsibility and, above all, compliance with the labor legislation and respect for the human rights. Between September 2005 and February 2006 the Institute had surveyed labor relations and compliance with the labor laws in 167 farms.

www.algodaosocial.com.br

• Soon the Instituto ARES (ARES Institute) will publish its principles and criteria for responsible soybeans, with the mission of "contributing to the development of sustainability in the Brazilian agribusiness through knowledge building, dialogue with the society, and communication."

www.abiove.com.br

In addition to the initiatives presented above...

• FCS - Forest Stewardship Council
• IMCC - International Council on Minerals and Mines
• CSI - Cement Sustainability Initiative
• EP - Equator Principles

...several other sectoral initiatives are part of the global sustainable development panorama.

• ETI - Ethical Trading Initiative (multi-sectoral) www.ethicaltrade.org
• EITI - Extractive Industries Transparency Initiative www.eitransparency.org
• FLA - Fair Labor Association (textile) www.fairlabor.org
• Kimberley Initiative (conflict diamonds) www.kimberleyprocess.com
• MSC - Marine Stewardship Council www.msc.org
• MFA Forum (textile) www.mfaforum.org
• GTI - Transparency Initiative www.ifitransparency.org
Equator Principles
International Finance Corporation – IFC

WHAT IT IS
Minimum screening criteria for project financing in order to ensure that the projects financed are developed in a manner that is socially responsible and reflect sound environmental management practices.

ORIGIN
The Equator Principles were drafted in October 2002 at a meeting of senior executives in London promoted by the International Finance Corporation (IFC), the investment arm of the World Bank, and ABN Amro, a Dutch bank, to discuss investment experiences in projects involving social and environmental issues in emerging markets, which often lack strict legislation on the protection of the environment.

In 2003, 10 of the world’s leading project finance banks (ABN Amro, Barclays, Citigroup, Crédit Lyonnais, Crédit Suisse, HypoVereinsbank (HVB), Rabobank, Royal Bank of Scotland, WestLB and Westpac), altogether responsible for more than 30% of the project loan syndication market globally, launched the norms of the Equator Principles as a framework for their loan granting policy.

OBJECTIVE
The objective is to ensure sustainability, environmental balance, the prevention of social impacts and accidents that may create constraints during the development of the enterprises, also reducing the risk of default.

CONTENT
In practice, companies interested in applying for funds in the international financing market shall incorporate into their Project Finance assessment documentation items such as:

- Environmental risk management, protection and conservation of biodiversity, pollution prevention and control;
- Protection of health, cultural and ethnic diversity, and adoption of Occupational Health and Safety Systems;
- Assessment of social and economic impacts, including indigenous communities and peoples, protection of natural habitats, including the requirement of some sort of offset measures for populations affected by a project;
- Efficiency in the production, distribution and consumption of water resources and energy, and use of renewable energies;
- Respect for the human rights and elimination of child labor.

STEP-BY-STEP
These principles are applied based on a social and environmental rating drawn up by the financial institutions, under which projects are categorized as A (high risk), B (medium risk) or C (low risk).

In short, loans will only be provided to projects that have conducted an Environmental Impact Assessment, and are focused on mitigation, action plans, risk monitoring and management, and planning, according to the following classification:

**Category A** - likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented. A potential impact is considered “sensitive” if it may be irreversible (e.g. lead to a loss of a major natural habitat), affect vulnerable groups or ethnic minorities, involve involuntary displacement and resettlement, or affect significant cultural heritage sites.

**Category B** - potential adverse environmental impacts on human populations or environmentally important areas, but likely to have less significant adverse effects than a Category A project.

**Category C** - likely to have no or minimal adverse environmental impact.

The classification is based on a set of rules called safeguard policies, created by the International Finance Corporation (IFC) between 1990 and 1998, and their application is made by the banks, who should invest in the qualification of the credit analysts to meet these requirements.

In projects classified as A or B, banks must produce...
a social and environmental report suggesting changes in the project in order to reduce risks to the community where it is going to be implemented, one of which could be not completing the project. For all Category A projects an Environmental Impact Assessment must be developed and, in case the Bank deems advisable, for any Category B project.

If the borrower fails to comply with one of the social and environmental covenants, the principles require the bank to engage the borrower in its efforts to remedy such non-compliance.

The Equator Principles are currently revising the safeguard policies.

- Firstly, the main objective of the safeguard policies was to prevent the funded projects from causing environmental losses and to hold them socially responsible.

- In a second state, the IFC sought to ensure that the projects had a positive social and environmental impact. The intention is to improve the protection mechanisms by developing rules that are clearer but not necessarily easier to follow, for they will be more restrictive.

In fact, the new and stronger standards established by the EP2 include more rigorous criteria, mainly in the assessment of the population affected by the project. The IFC also changed the rating criteria, extending the requirement of rating to projects involving US$ 10 million or more in financing, from the prior minimum of US$ 50 million.

It is important to stress that the adoption of these principles is voluntary, without any dependence upon or support by the IFC or World Bank. As a result, the institutions that adopt these principles shall take them as the basis for the development of internal and individual practices and policies.

**RESULT**

The effective implementation of the new Equator Principles and the incorporation of accountability and transparency mechanisms are the great challenge to be faced by the signatory financial institutions. Three years after the launch of the Equator Principles, Brazil continues to be the only representative of emerging countries in the agreement, after four national banks signed it last year – Bradesco, Banco do Brasil, Itaú/Itaú BBA and Unibanco – out of 31 participating institutions.

(Data taken from the 2nd report of the Banktrack, an international network comprising 14 civil society organizations that monitors the operations of private financial institutions and their impacts on the communities and the environment)

Brazilian bankers should be proud of setting a world example for bankers from developing countries on applying the Equator Principles.

**REFERENCE**

www.equator-principles.com
Kyoto Protocol
United Nations Organization

WHAT IT IS
It is an amendment to the international treaty on climate change, assigning mandatory emission limitations for the reduction of greenhouse gas emissions, considered, according to most scientific investigations, as the cause to global warming.

ORIGIN
The Kyoto Protocol is a consequence of a series of events that started with the Toronto Conference on the Changing Atmosphere, in Canada (October 1988), followed by the IPCC's First Assessment Report in Sundsvall, Sweden (August 1990), and culminated in the United Nations Framework Convention on Climate Change (UNFCCC) at the Rio-92, in Rio de Janeiro, Brazil (June 1992). It also reinforces UNFCCC sections.


OBJECTIVE
The Kyoto Protocol is an agreement under which industrialized countries will reduce their collective emissions of greenhouse gases by 5.2% by 2012 compared to the year 1990. Signatory countries will have to implement plans to reduce their emissions 5.2% below their 1990 baseline over the 2008 to 2012 period. The Kyoto Protocol defined six greenhouse gases whose emissions must be lowered:

- CO₂ - Carbon Dioxide
- N₂O - Nitrous Oxide
- CH₄ - Methane
- HFC - Hydrofluorocarbon
- PFC - Perfluorocarbon
- SF₆ - Sulfur Hexafluoride

CONTENT
Emission reduction is supposed to occur in several economic activities. The protocol encourages signatory countries to cooperate among themselves through some basic actions:

- Reforming energy and transport sectors;
- Promoting the use of renewable energies;
- Phasing out inappropriate fiscal measures and market imperfections;
- Limiting methane emissions from waste management and energy systems;
- Protecting forests and other carbon sinks.

STEP-BY-STEP
The flexible mechanisms are arrangements regulated by the Kyoto Protocol that help facilitate for the Annex B parties (countries) to reach limits and targets of GHG (Greenhouse Gas) emission reductions. Such instruments also have the purpose of encouraging emerging countries to reach a sustainable development model.

There are three flexible mechanisms:

- Emissions trading – carried out between countries listed in Annex B, so that a country that has reduced its emissions below its target can transfer its excess allowances to another country that has not reached such status. According to the Kyoto Protocol criteria, the projects are registered at the UN and can have their credits sold to companies from the European Union or Japan, whose governments have already set pollution reduction targets for some industry sectors. Each credit means that the company has removed from the atmosphere one tonne of CO₂ and transfers to the buyer the right to emit an equivalent amount of GHG. The second alternative is selling the credits in independent stock markets, such as Chicago Climate Exchange, founded in December 2003. Its purpose was to create an alternative carbon market to that of the Kyoto Protocol. Among the founding companies are Ford Motor, AEP Manitoba Hydro, Motorola, and DuPont.
- Clean Development Mechanism (CDM) – allows industrialized countries to invest in projects that reduce emissions in developing countries (which do not have GHG emission reduction target). Today there are over 40 countries conducting these projects, and the most important are India (557 projects), China (299) and Brazil (210 projects).
- Joint implementation (JI) – implementation of GHG emission reduction among countries with a greenhouse gas reduction target (Annex I parties).

Out of these mechanisms, only the CDM applies to Brazil.

The Annex I parties correspond to the OECD member countries and the former Soviet Union and Eastern Europe countries, which are called transitional economies to the market economy: those who have reduction targets regarding the Kyoto Protocol. They are divided into two subgroups:

- OECD member countries – those countries that need to reduce their emissions and, therefore, can become buyers of credits from flexible mechanisms, such as Germany, Japan, the Netherlands, etc.
- Annex I Parties with economies in transition in Eastern Europe and the former Soviet Union can therefore host joint implementation projects, such as Ukraine, Russia, Romania, etc.

RESULT
NCCP Report – National Climate Change Programme
If the Kyoto Protocol is successfully implemented, a 1.4 to 5.8°C reduction in the global temperature is expected by 2100. Nevertheless, this will depend a lot on the negotiations after the period 2008-2012, for there are scientific communities that categorically state that a 5.2% reduction target as compared to the 1990 levels is insufficient to mitigate global warming.

Copenhagen will host the world summit on climate in December 2009, when an agreement replacing the Kyoto Protocol – in force until 2012 – will be defined. Convincing the United States, as well as India and China, to be parties to the new treaty is one of its challenges. The EU decision to raise its renewable energies target by 20% by 2020 puts a political pressure on the new phase of the Kyoto Protocol.

The Treaty must be improved and will likely seek to answer whether developing countries should be included in the payment of environmental costs. Currently, only developed countries, which have been for the most part responsible for the present situation of the planet, are paying for the costs.

Brazil is the country with the second highest number of projects to sell carbon credits, India being the first. The potential income for the next six years is estimated in R$ 4 bi, an amount that could be increased by projects yet to be created in this period.

Soon the BM&F – Brazilian Mercantile & Futures Exchange – is going to start an electronic system to trade carbon credits. In the near future companies will probably have to manage not only their financial statements, but also their energy balances.

REFERENCE

http://pt.wikipedia.org/wiki/Protocolo_de_Kyoto

MAP OF THE KYOTO PROTOCOL IN 2005.

The countries in red have not ratified the protocol yet;

The countries in green have ratified the protocol; the countries in yellow have ratified it, but have not complied with it;

The countries in gray have not taken any stand on the protocol yet;

Note:

The United States of America have decided not to ratify the Kyoto Protocol, according to President George W. Bush’s statement that the commitments required by the treaty would negatively impact on the North American economy. The White House also questions the scientific consensus that human-emitted pollutants raise the Earth’s temperature. Even though the United States have not signed the Kyoto Protocol, some cities, states (California), and Northeastern industrialists are already looking for ways to reduce toxic gases emission.

COMPARISON BETWEEN GHG EMISSIONS BY THE MAJOR POLLUTERS BETWEEN 1990 AND 2004, ACCORDING TO THE UN

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TIP

Carbon Disclosure Project (www.cdproject.net) – reliable source of information for the society and investors on GHG emissions by companies.
United States

Dow Jones was the first big player to incorporate sustainability into its products.

Origin

The Dow Jones Sustainability Index – DJSI was launched in 1999 by the Dow Jones Indices and the Sustainable Asset Management (SAM), a Swiss asset management company specializing in businesses committed to social responsibility, cultural and environmental issues.


Content

In 2004-2005, the index tracked the financial performance of 318 leading companies from 24 countries in the sustainable development field. The companies’ selection is made according to the results of a broad questionnaire focused on environmental, social and economic performance, as well as corporate governance.

Social Dimension

- Labor practices
- Human capital development
- Attracting and retaining talents
- Knowledge management
- Citizenship and philanthropy
- Industry-specific criteria

Economic Dimension

- Corporate governance
- Relations with investors
- Relations with clients
- Code of conduct
- Risk management
- Industry-specific criteria

Environmental Dimension

- Environmental policy – Ecoefficiency
- Environmental reports – Environmental management system
- Industry specific criteria

Characteristics

The DJSI adopts the Best in Class methodology, which selects the companies with best performance in each economic sector, excluding the defense sector companies with over 50% of their income originated from weapons sales.

England

Origin


www.ftse.com/Indices/FTSE4Good_Index_Series/index.jsp

Characteristics

Comprising four indices, the series was developed by the research company EIRIS to assess the development of global companies through environmental, human rights and stakeholders engagement criteria. The criteria are assessed according to three aspects: Policies (monitoring committees, targets, code of conduct); Management (public accidents, medical care plans, insurance); and Reporting (statistics, environmental reporting). Weapons, nuclear and tobacco sectors are excluded.

South Africa

South Africa was the first emerging country to incorporate sustainability into the stock market, and the Johannesburg Stock Exchange (JSE) launched its SRI index in 2003.

www.jse.co.za

Origin

In spite of the example provided by the FTSE4Good, the JSE's index does not exclude any sectors, choosing to classify some sectors as “high impact”.

Characteristics

The rating is based upon social, economic, environmental and corporate governance criteria, assessed from the point of view of policies, management, reporting and public consultation. Some of the criteria are eliminatory, so companies must score well in these categories to qualify for the JSE ranking.
Brazil and the SRI sector
Socially Responsible Investment

THE SÃO PAULO STOCK EXCHANGE (BOVESPA)

Years ago a worldwide trend was initiated: investors started to seek socially responsible, sustainable and profitable companies to invest their funds. These investments were called “socially responsible investments” (SRI). They believe that sustainable companies create value to the shareholder in the long term, because they are better prepared to face economic, social and environmental risks. This demand increased in time, and today it is widely attended by many financial instruments in the international market.

In the past four years, issues such as social, environmental, and corporate governance have become part of Brazilian managers’ routine. The ethical crises faced by multinational corporations such as Enron and WorldCom showed the fragility of financial reports and independent auditors to assure transparency, which further strengthened the SRI sector. The influence of experts such as the Associação dos Analistas e Profissionais de Investimentos do Mercado de Capitais – APIMEC (Association of Capital Market Analysts and Investment Professionals) proved to be fundamental to convince investment analysts to broaden the scope of their analyses.

BRAZILIAN BANKS’ PERFORMANCE AND THE SRI

Brazil’s experience in SRI began in January 2001, when Unibanco launched the first SRI research service. The bank’s reports, containing social and environmental information about businesses listed at Bovespa, were produced exclusively for SRI funds abroad.

At the end of 2001, Banco Real ABN Amro launched its Ethical Funds FIA (Fundos Ethical FIA), the first two SRI funds based in emerging markets. Since their inception, both funds have outperformed the Bovespa index.

In 2004, Banco Itaú launched its Itaú Social Excellence Fund (Fundo Itaú Excelência Social), focusing on corporate social responsibility performance.

THE SÃO PAULO STOCK EXCHANGE (BOVESPA) AND THE SRI

With the growing appreciation of the critical role of capital markets in financing economic growth, Bovespa created the New Market (Novo Mercado).

CHARACTERISTICS

The New Market aims to create a suitable environment for businesses to assure investors of better corporate governance practices and improved transparency, resulting in reduced costs of capital.

It is worth mentioning that Bovespa also launched the Índice de Ações com Governança Corporativa Diferenciada – IGC (Corporate Governance Stock Market Index), which tracks the performance of a portfolio made up of companies that show high levels of corporate governance. This portfolio includes all the companies listed at the Bovespa’s New Market and Levels 1 and 2.
The São Paulo Stock Exchange and the ISE Corporate Sustainability Index

**ORIGIN**

In conjunction with the trend to segmentation in the international markets, Bovespa became the first stock exchange to join the signatories of the United Nations’ Global Compact. As part of this process, and inspired by the lack of a benchmark for SRI funds, a Work Group was created to develop a sustainability index for the Brazilian stock market. Made up of representatives of leading institutions in the environmental, social, corporate governance, and capital market areas, the group defined the basic guidelines for the development of the index’s methodology. The development of the methodology became the center of a proposal presented to the International Finance Corporation (IFC), which became the sponsor of such initiative.

The original work group turned into the index’s advisory board (CISE), composed of the following entities: Associação Brasileira das Entidades Fechadas de Previdência Complementar (ABRAAP), Associação Nacional de Bancos de Investimentos (ANBID), Associação de Analistas e Profissionais de Investimentos de Mercado (APIMEC), Bolsa de Valores de São Paulo (BOVESPA), Instituto Brasileiro da Governança Corporativa (IBGC), Instituto Ethos de Empresas e Responsabilidade Social (Ethos), International Finance Corporation (IFC), Instituto Brasileiro de Análises Sociais e Econômicas (IBASE), and the Ministry of Environment’s Sustainable Development Department (SDS/MMA).

Inspired by other indices, Bovespa joined forces with the Center for Sustainability Studies at Fundação Getulio Vargas (GVces) to develop the new index. GVces conducted a thorough literature review on the sustainability criteria and indicators and analyzed in detail social balance directives developed by IBASE, Ethos, and the Global Reporting Initiative (GRI), as well as the questionnaires used by DJSI, FTSE4Good, and JSE. Specialists in the different fields that make up the sustainability index were active participants in this process through workshops, public consultation and specific meetings. The resulting questionnaire was presented for discussion and comments by the general public.

**METHODOLOGY**

The Bovespa Corporate Sustainability Index (ISE) was launched in December 2005.

The Index will be annually revised to make sure that it reflects the real business sustainability level of companies listed on the Bovespa.

According to a decision by ISE’s Advisory Board (“CISE”), no sectors will be excluded from the index. The first – and only – time that CISE considered the subject, the majority of its nine members decided not to exclude any sector. Instead, they opted for Positive Screening. This means that all companies whose shares show a minimum level of liquidity in the market will have the opportunity to fill out the questionnaire and participate in the selection process. All elements associated with sustainability for each sector will be closely evaluated, including potential risks and adverse impacts associated with the nature of the products and services of each business.

The proposals for the creation of an index similar to the Dow Jones Sustainability Index were put forth by eight institutions: Abrapp, Anbid, Apimec, Bovespa, Instituto Ethos, IFC, IBGC and Ministry of Environment. Alcoholic beverages, tobacco and weapon sectors were excluded.

**OBJECTIVE**

The main objective of the index is to create an investment environment compatible with the contemporary society’s sustainable development demands and foster ethical corporate responsibility.
The index is also a tool for comparative analysis of the performance of companies listed on the Bovespa regarding corporate sustainability based upon economic efficiency, environmental balance, social justice and corporate governance.

It will help investors better understand and distinguish companies and business groups committed to corporate sustainability, and select them according to quality, commitment level, transparency, and other performance factors relevant to investors concerned with ethical issues.

This index may be helpful as one more tool to solve sustainable development challenges for they assist companies in assuring less waste, protection of social and environmental rights, as well as in creating more value, wealth and profit.

This index is an important example provided by Brazil to the world and to the stock exchange markets.

PRINCIPLES

The definition of criteria and indicators to assess the selected companies’ sustainability was based upon a series of generally accepted principles in the corporate sustainability literature.

The principles include:

- Information to the public
- Comparability
- Auditability / Traceability
- Completeness
- Timeliness

DIMENSIONS/CONTENT

The ISE is based on the triple bottom line (TBL) concept introduced by the English consulting firm SustainAbility, which evaluates the economic-financial, social, and environmental elements in an integrated manner. Following the JSE model, corporate governance indicators and criteria were added to the TBL principles. Those indicators created a fourth thematic group to evaluate the companies. The four blocks are preceded by a group of general indicators.

CRITERIA AND INDICATORS

- The economic-financial, social, and environmental dimensions were divided into four groups of criteria: Policies (commitment indicators); Management (indicating plans, programs, goals, and monitoring); Performance; and Legal Compliance (with competition, consumer, labor and environmental, among others).

- The environmental dimension, given the different impacts on the environment of different economic sectors, takes into account the nature of each business. For example, stock exchange listed companies, due to its specific characteristics, will answer a customized environmental questionnaire. Other businesses were divided into two impact levels – high and moderate, but will fill out the same questionnaire. However, the environmental criteria will receive different scores in the final evaluation according to the two levels.

- The Corporate Governance dimension includes best practice indicators for the following criteria: Property; Board of Directors; Management; Monitoring and Auditing; and Conduct and Conflict of Interests. The goal is to follow, in a cross-cutting manner, the principles of transparency, equity and accountability as defined by the Brazilian Institute of Corporate Governance (Instituto Brasileiro de Governança Corporativa or IBGC).
NOTE

The Advisory Board will analyze the replies sent by listed companies, which will be signed by the Director of Investor Relations. In spite of not providing an auditing system, Bovespa can ask for clarification of a relevant fact that is not consistent with answers given in the questionnaire.

FINAL ASSESSMENT

ISE’s methodology introduces cluster analysis as a statistical tool in the final classification process. Avoiding deviations generated by a simple adding of assessment scores of such distinct dimensions as the environment and corporate governance, cluster analysis identifies groups of businesses that present similar performance in each dimension. The final portfolio (comprising up to 40 companies) will be made up of the cluster of businesses that shows the best practices in all five dimensions.

RESULTADOS

The ISE reflects yield from a portfolio consisting of shares issued by companies with the best rating on all of the dimensions that measure corporate sustainability. It was created as a benchmark for socially responsible investment and also to encourage best practices in Brazilian business.

The Corporate Sustainability Index (ISE) has been effective since December 1st, 2006 (ISE/Bovespa). The new portfolio will be in force until November 30, 2007 and contains 43 shares issued by 34 companies representing 14 different sectors. All 120 listed companies within the 150 most liquid shares received the questionnaire developed by the Center for Sustainability Studies (GVces) at the Business Administration School of São Paulo of Fundação Getúlio Vargas (FGV-EAESP).

The ISE questionnaire has undergone some changes since its first version. The biggest change in the 2006 version refers to the separation of company’s commitment to sustainable development and product nature into two dimensions. The 2006 questionnaire also assesses performance against corruption. Another novelty concerns the verification process. Companies composing the ISE 2006 portfolio may be requested to produce evidence of information provided through the questionnaires.

The 60 respondent companies correspond to 58 % of the total market capitalization of BOVESPA, currently BRL 1.4 trillion.

To check daily ISE closing points since December 2005, access:


REFERENCE


Tudo sobre o ISE:


Metodologia completa:

www.bovespa.com.br/Pdf/Indices/ISE.pdf

Questionários 2006/2007:

ICMM Principles
International Council on Mining & Metals – ICMM

O QUE É
10 Principles for sustainable development performance in the mining & metals sector.

ORIGEM
The ICMM International Council on Mining and Metals was formed in October 2001 to represent leading international mining and metals companies. The vision is a “viable mining, minerals and metals industry that is widely recognized as essential for modern living and a key contributor to sustainable development.”

ICMM has set for itself an ambitious program to address these issues and is probably in a better position than any other industry sector in this regard.

The 10 Principles were adopted by Council for implementation in May 2003. The reporting indicators were devised in partnership with the Global Reporting Initiative (GRI) in 2004 through a multi-stakeholder consultation process. ICMM members form the largest industry group that has committed to report in accordance with the GRI framework, the highest standard of reporting. The assurance element was approved by ICMM’s Council in May 2006 as a pilot procedure.

OBJETIVO
“Our members are practicing their commitment to environmental, economic and social responsibility and, as such, are making a case for continued access to land, capital and markets.”

CONTEÚDO
The 10 Principles were developed by benchmarking against other leading global standards including: the 1992 Rio Declaration, the Global Reporting Initiative, the OECD Guidelines for Multinational Enterprises, the World Bank Operational Policies, the OECD Convention on Combating Bribery, ILO Conventions 98, 169, 176, and the Voluntary Principles on Human Rights and Security.

The principles are as follows:
1. Implement and maintain ethical business practices and sound systems of corporate governance.
2. Integrate sustainable development considerations within the corporate decision making process.
3. Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities.
4. Implement risk management strategies based on valid data and sound science.
5. Seek continual improvement of our health and safety performance.
6. Seek continual improvement of our environmental performance.
7. Contribute to conservation of biodiversity and integrated approaches to land use planning.
8. Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.
9. Contribute to the social, economic and institutional development of the communities in which we operate.
10. Implement effective and transparent engagement, communication and independently verified reporting arrangement with our stakeholders.

Aiming to provide support and guidance for the principles implementation, ICMM is developing and diffusing a best practices and case studies library.

STEP-BY-STEP
The ICMM Council, made up of member CEOs, has committed corporate members to implement the ICMM Sustainable Development Framework. The Framework comprises four elements:
1. A set of 10 Principles (listed below), supported by;
2. Public reporting;
3. Certificação independente, e
4. Intercâmbio de boas práticas.

By committing to these elements, ICMM corporate members are providing leadership to improve their sustainable development performance.

ICMM has prepared a Resource Guide to assist members in meeting their reporting commitments. It includes details of the reporting commitment, useful references and a table showing the links between ICMM’s 10 Sustainable Development Principles and the principles, elements and indicators in the GRI framework. The Resource Guide is intended to be updated as required, for example, when new references are identified.

REFERENCE
www.icmm.com
Mining and Metals Sector Supplement (English version, 334KB)
Mining and Metals Sector Supplement (Spanish version, 575KB)
Resource Guide
WHAT IT IS

One of the most comprehensive sustainability programs carried out by one single industrial sector.

ORIGIN

Created in 1999 and based in Switzerland, the World Business Council for Sustainable Development – WBCSD is a coalition of 175 international companies in a shared commitment to sustainable development via the three pillars of economic growth, ecological balance and social progress. WBCSD members are drawn from more than 30 countries and 20 major industrial sectors. They also benefit from a global network of 40+ national and regional business councils mainly located in developing areas and partner organizations involving over one thousand business leaders worldwide.

Under the auspices of the WBCSD, the Cement Sustainability Initiative – CSI commissioned a large research on the cement industry global impact, working closely with all stakeholders to develop its Agenda for Action, which aimed at improving sustainability in cement production.

This Agenda for Action set forth commitments in 2002, mainly regarding CO (carbon oxide) emissions, natural resource depletion, and occupational health and safety. Among all these aspects, the most relevant one is the proposal of a protocol development, comprising the whole sector, for measurement and disclosure of CO emissions deriving from cement production. It is the first time an industrial sector voluntarily commits to complying with an emissions protocol subject to independent assurance.

Accounting for over half of the world cement production, except for China, the CSI member companies are: Ash Grove Cement (USA), CEMEX (Mexico), CIMPOR (Portugal), CRH (Ireland), Gujarat Ambuja (India), Heidelberg Cement (Germany), Holcim (Switzerland), Italcementi (Italy), LAFARGE (France), SECIL (Portugal), Shree Cement (India), Siam Cement (Thailand), Taiheiyo Cement (Japan), TITAN (Greece), UNILAND (Spain), Votorantim (Brazil).

OBJECTIVE

The Cement Sustainability Initiative (CSI) was formed to help the cement industry to address the challenges of sustainable development. The business leaders of a group of major cement companies lead the initiative. Its purpose is to:

- Explore what sustainable development means for the cement industry;
- Identify and facilitate actions that companies can take, as a group and individually, to accelerate progress towards sustainable development;
- Provide a framework through which other cement companies can participate;
- Provide a framework for working with external stakeholders.

Dr. Mostafa Tolba, President of the International Centre for Environment and Development – ICED and former executive director of the United Nations Environment Programme – UNEP, says:

“The CSI represents a serious effort by an important industry sector to tackle complex sustainability issues in a practical, results-oriented way. Using a common set of key performance indicators, which address both business and stakeholder concerns while requiring public reporting of individual company achievements, is a major step forward in providing an important level of accountability for a voluntary program.”

In addition to individual actions, the CSI members have developed other joint projects including:

- A common protocol for recording, monitoring and disclosing Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and particulate matter emissions;
- The definition of an industry-wide set of safety metrics enabling consistent and accurate reporting regarding health and safety;
- Guidelines regarding the use of fuels and raw materials; and
- Establishment of an environmental and social impact assessment process that enables companies and communities to work together along the development, operation and closing phases of a cement plant.

Além disso, a indústria aprovou uma métrica para o cálculo de um conjunto de indicadores de segurança, que, abrangendo toda a indústria cimenteira, permite que as empresas e as fábricas possam comunicar, com exatidão e de forma consistente, informações relacionadas com a saúde e a segurança.

Foram ainda acordadas, no seio da CSI, diretrizes para
a utilização de combustíveis e matérias-primas, tendo sido, também, estabelecidas orientações para a implementação de um processo que permita às empresas e comunidades envolvidas trabalhar em conjunto durante as fases de desenvolvimento, operação e encerramento de uma unidade operacional de produção de cimento, avaliando-se os respectivos impactos nos níveis social e ambiental.

CONTENT

8 major topics that will shape the cement industry's path toward a more sustainable future in the next 20 years:

• Resource productivity: improving eco-efficiency through improved practices in quarrying, energy use and waste recovery and reuse;
• Climate protection: understanding and managing CO2 emissions;
• Emission reduction: reducing dust from quarrying, NOx, SOx, and other airborne pollutants from cement manufacture;
• Ecological stewardship: improving land use and landscape management practices;
• Employee well-being: managing and improving employee health, safety, and satisfaction;
• Community well-being: working more effectively with local communities;
• Regional development: participating in regional affairs;
• Shareholder value: creating more value for shareholders.

RESULTS

After launching the Agenda for Action, CSI established work groups in five areas to move towards reaching its objectives. The Progress Report compares results against commitments, describes progress measurement (using key performance indicators) and lists partners including WWF, World Resources Institute, Nature Conservancy, International Finance Corporation, Global Reporting Initiative, UNEP, CARE International, and the Lawrence Berkeley Laboratories.

CSI intends to have the first five years’ work completed by 2006 and launch the Progress Report (Final version) in 2007.

The CEOs of the current CSI member companies issued a joint statement at the launch of the Report in Japan on June 7, 2005, in Nagoya, Japan:

“We are proud of this report, in a sense more proud of this than the Agenda for Action, as that was a list of promises. What we are able to do today is report the results of the first steps towards making the cement industry more sustainable, now and into the future.”

REFERENCE

The cement sustainability initiative, our agenda for action.

www.wbcsdcement.org/

www.wbcsdcement.org/pdf/agenda.pdf (40 páginas)

www.wbcsdcement.org/pdf/agenda_po.pdf (português)

Executive Summary (354 kb)

www.wbcsdcement.org/pdf/agenda_summary.pdf

www.bcsdportugal.org/files/401.pdf (3 pgs)
Basic Principles of Social Responsibility

Associação Brasileira das Entidades Fechadas de Previdência Complementar - ABRAPP (Brazilian Closed Pension Fund Association)

Besides providing guidance on future investments of Pension Funds, the adoption of Social Responsibility Principles, can also set an example for other financial market institutions to adopt similar practices.

WHAT IT IS

It is a set of criteria based on Basic Social Responsibility Principles aimed at defining its investments. It is the first initiative of the kind in the world, and, therefore, a benchmark in the international financial sector.

ORIGIN

Launched by the Associação Brasileira das Entidades Fechadas de Previdência Complementar (Abrapp) in partnership with the Instituto Ethos de Empresas e Responsabilidade Social in 2004.

OBJECTIVE

It is suggested that fund managers explicitly state in their investment policy the investments made pursuant to social responsibility principles besides applying the criteria traditionally used by investment committees concerning liquidity, safety and profitability, among other aspects for defining in which publicly-held companies it is worth investing.

The adoption of such criteria can change the profile of variable income investment in Brazil, influence the behavior of companies’ investors and shareholders, and bring significant advances in the Corporate Social Responsibility movement in Brazil, thus impacting on the market and society.

Besides providing guidance on future investments of Pension Funds, the adoption of Social Responsibility Principles can also set an example for other financial market institutions to adopt similar practices.

CONTENT

1. Corporate governance

For listed public companies: prioritize those already in the “Novo Mercado” (New Market), Level I or Level 2 (levels of corporate governance). For non-listed public companies, special purpose companies, or limited liability companies: check those with criteria equivalent to those of the New Market, Level I or Level 2.

2. Social Report

Check whether the company discloses or not a Social Report. In case it does, analyze information relevance, clarity and, if possible, accuracy. In case the company does not disclose a Social Report, define its disclosure as a target for the following year. A Social Report should increase the company value.

3. Social Inclusion

Check either in the Social Report or through information about the company if there are clear non-discrimination policy and affirmative actions regarding women, afro-descendants and people with special needs. Such policies increase the company value.

4. Labor

Although child labor and forced labor are prohibited by law, requesting from the company a statement denying the use of these types of labor in its direct operations and declaring that the same policy is demanded from all its suppliers. In case the company is
SA 8000 certified, this request is not necessary and it increases the company value. A for child labor, if the company has the Fundação Abrinq’s “Empresa Amiga da Criança” (child’s friend company) seal, the statement is not necessary.

5. Outsourced labor
Assess whether in its outsourcing agreements the company provides the same treatment and conditions (wages, benefits, etc.) to outsourced workers as to its own employees. In case there is a considerable difference in the treatment, the company must be advised to seek the same working conditions. Companies with such practices already implemented should have their value increased.

6. Environment
It is important to verify whether the company has been imposed any environmental fines. This can pose risks to the business. Check, through information provided by the company, the status of pollution prevention, residues treatment, reduced use of natural resources, and recycling programs. Companies with environmental concern should have their value increased.

7. Income generation
Assess whether the company has development programs for small suppliers, or if it hires local professional people where it operates. Assess if there are other programs aimed at employment and income generation in the surrounding community.

8. Social projects
The company that presents a consistent social investment program should have its value increased. This can be checked in the Social Report, if there is one.

9. Ethics and Transparency
Does the company have a structured and diffused code of ethics? In case the company makes donations to political campaigns, does it disclose the amounts donated? Who are the beneficiaries?

10. Disclosure of the investment policy
Pursuant to CMN 3121 Resolution, attached rule, sections 6 and 7, every Pension Fund must annually disclose its investment policy to the Secretaria de Previdência Complementar (Closed Pension Fund Department) and, once social responsibility principles are part of this policy, they should be clearly indicated.

11. Traditional criteria
Apply the criteria traditionally used by the investment committees to define in which companies to invest.

REFERENCE
www.abrapp.org.br
Management Tools – Americas

5.1 Introduction

SOUTH AMERICA
5.2 Argentina - IARSE Indicators
5.3 Bolivia - COBORSE Indicators
5.4 Brazil - IBASE Social Audit
5.5 Brazil - AKATU Scale
5.6 Brazil - BOVESPA Environmental and Social Investment Exchange
5.7 Brazil - ETHOS Indicators, Matrix of Essential CSR Criteria, and Matrix of Evidence
5.8 Brazil - GIFE Indicators
5.9 Brazil - FIDES/OCESP/SESCOOP Indicators
5.10 Brazil - FDC Sustainability and Corporate Governance Assessment Tool
5.11 Chile - ACCIÓN Indicators
5.12 Chile - PROHUMANA Indicators
5.13 Colombia - RI Management System
5.14 Colombia - CCRE Index
5.15 Ecuador - CERES Indicators
5.16 Uruguay - DERES Indicators
5.17 Peru - Peru2021 Indicators

CENTRAL AMERICA
5.18 Costa Rica - Indicadores AED
5.19 El Salvador - Indicadores FUNDEMAS
5.20 Guatemala - Indicadores CENTRARSE
5.21 Panamá - Indicadores CEDIS

AMÉRICA DO NORTE
5.22 Canada - The Good Company CBSR
5.23 EUA - SD Planner GEMI
5.24 USA + Japan - GC 360 FUTURE 500
5.25 Mexico - CEMEFI Indicators
Despite the proliferation of countless initiatives developed by various agencies and organizations, the social responsibility management tools that contribute and seek to cover the classic pillars of sustainable development – the so-called triple bottom line (economic, social and environmental) – are structured so as to develop an approach through engagement of stakeholders, including shareholders, workforce (own and outsourced employees), clients, suppliers, partners, community, environment, among others.

The main difference among the management tools presented refers to the level of compliance, commitment and depth of organizations (of all sectors) in relation to sustainability. Although these tools have the same objective of advancing in the theme, their application processes are quite different, especially in the degree of completeness and complexity used in addressing the theme.

Some tools are very accessible and easy to use, allowing adjustments on the part of organizations that adopt them, depending on its objectives and particular characteristics. A simple questionnaire or educational guide, for instance, can be an information tool that does not seek to change the organization's management style immediately, but is part of a policy that aims to raise awareness about the theme and is, therefore, a "first step". The questionnaire-based approach seeks to:

- help the organization to create awareness, by making "good" questions;
- visualize its status regarding the different phases of sustainable development, identifying its gaps and strengths;
- become a framework for several internal and external monitoring operations, and develop a database to diffuse its practices and inform the media.

The educational guides that accompany the questionnaires are tools characterized by a self-learning structure of sustainability practices and indicators. They are usually guides that explain the concepts and present good practices, suggesting the paths for organizations to follow to become socially responsible.

In these cases, the educational dimension is certainly present.

On the other hand, certain management tools go beyond the questionnaire phase or the information sharing phase to become typical management systems. They generally offer a formal planning structure (with a logic similar to the PDCA Cycle) that comprise several aspects and require more resources, know-how and motivation to be successful.

That requires formal planning structures, with stakeholder engagement, including even its value chain, thus demanding a more complex process and a higher number of people involved, both inside and outside the organization.

Finally, in the logic of "normative tools", each organization must answer several criteria established and published. It is the "standard" formatting, with which the organization will seek to comply in order to achieve certification. These are tools that focus on continuous improvement processes involving standard organizations and internal/external auditing firms, making results more reliable and easier to understand.

The reliability of organizations that adopt CSR practices with its stakeholders greatly depends on the definition of their content, the formalization of initiatives through the application of transferable, and assessable tools, as well as the possibility to compare the compliance of the organizations' practices with their disclosures.

Because it monitors the organization in the different implementation phases of a tool, external auditing is certainly one of the most exhausting and expensive options, but it has, among other advantages, an objective look on the situation.
Corporate Social Responsibility Indicators

Instituto Argentino Responsabilidad Social Empresaria – IARSE (Argentine Institute for Corporate Social Responsibility)

COUNTRY
Argentina

WHAT IT IS
Self-assessment guide for large companies. Includes correlation with the UN Global Compact Principles.

ORIGIN
The Argentine Institute for Corporate Social Responsibility – IARSE was created in 2002 with the mission of “promoting and diffusing the concept and practice of Corporate Social Responsibility to boost Argentina’s sustainable development, working together with companies through information networks, sharing of experiences and mutual cooperation.”

OBJECTIVE
The Corporate Social Responsibility Indicators, now offered in a new version, were developed as a learning and assessment tool for the company’s management regarding the incorporation of Corporate Social Responsibility (CSR) practices, strategic planning, and monitoring of the company’s overall performance. It is a self-assessment and learning tool to be used internally.

CONTENT
IARSE’s adapted version of the original Instituto Ethos’ document includes aspects of the Argentine reality, a conceptual revision of the previous version, and new aspects, such as corporate governance, fair trade, moral harassment, and forced labor. The company’s assessment questionnaire is divided into seven broad themes:

• Values, Transparency and Corporate Governance;
• Workforce;
• Environment;
• Suppliers;
• Consumers and customers;
• Community;
• Government and Society.

These themes are addressed by three types of indicators.

Depth indicators
The first type addresses the current stage of the company’s management. It comprises four adjacent boxes showing stages of a certain practice. These different performance levels allow the company to easily position itself in the scale. The box on the far right corresponds to the best performance in that practice, and presupposes the company will reach an excellence level in that indicator.

Binary indicators
The second type of indicators comprises yes/no questions related to the first group. Its items provide elements to validate the depth of the social responsibility stage as identified by the company, and allow the understanding of which practices must be incorporated into the business management.

Quantitative Indicators
The third type of indicators are the quantitative indicators, to be used inside the company. Besides being used as a basis for the answers to the Ethos CSR Indicators, the quantitative indicators may also be included in the monitoring and assessment of the corporate social responsibility management. The systematic survey of these data (which may be annually assessed and crossed with other data) allows a more objective analysis of the company’s results, facilitating the social reporting.

The structure of the Indicators enables the company to plan how to achieve a higher social responsibility level. The data arranged in scales provides parameters for the subsequent steps, and together with the binary indicators, helps the setting-up of guidelines for the establishment of improvement goals within the scope of each theme.

A correlation between the Corporate Social Responsibility Indicators and the Global Compact principles is presented.

REFERENCE
www.iarse.org
Indicadores de Responsabilidade Social Empresarial para PMEs

WHAT IT IS
Self-assessment and planning tool for Micro and Small Companies

OBJECTIVE
Aiming to encourage and support CSR incorporation by micro and small companies, IARSE, previously authorized by Instituto Ethos and SEBRAE, makes available a translation adapted to the Argentine reality of the publications Ferramenta de auto-avaliação e planejamento – Indicadores de RSE para PME (Self-assessment and planning tool – CSR Indicators for Micro and Small Companies), and RSE para PME — Primeiros Passos (CSR for Micro and Small Companies – First Steps).

These publications are a set of management tools that enable the micro and small entrepreneur to diagnose and implement this process in their daily routine.

CONTENT
The initial questionnaire has nine questions (initial exercise to understand the meaning of CSR).

The main questionnaire has 37 questions divided into seven themes:
- Environment (3)
- Community (8)
- Workforce (9)
- Values and transparency (4)
- Government and society (4)
- Suppliers (5)

For each question there are 4 possible answers:
- No
- Partially
- For the most part
- Yes

Further discussion leads to action planning. The boxes to be filled out are the following:
- Immediately;
- After some planning;
- After obtaining additional information;
- Not at present, because it is believed that nothing can be done.

The final score (maximum of 70 points) is reached by adding up the scores of each area. All areas have the same weight.

REFERENCE
Still not available for download on the website.

Social Responsibility Indicators for Consumer Cooperatives

In March 2007 IARSE and FECESCOR (Federation of Electrical Cooperatives of the City of Córdoba) signed an agreement for the development of the first version of the Social Responsibility Indicators for Consumer Cooperatives and a CSR for Cooperatives – First Steps Guide.
Corporate Social Responsibility Indicators
Consejo Boliviano de Responsabilidad Social Empresarial – COBORSE (Bolivian Council for Corporate Social Responsibility)

The network was created in November 2004 by institutions, business associations, government agencies, foundations, international cooperation agencies, educational institutions, and companies engaged in CSR development, diffusion and practice in Bolivia.

COUNTRY
Bolivia

WHAT IT IS
It is a publication made available by the IARSE adapted by the Argentine organization from the Corporate Social Responsibility Indicators published by the Instituto Ethos de Responsabilidade Social Empresarial.

ORIGIN
The multi-stakeholder network called Conselho Boliviano de Responsabilidade Social Empresarial – COBORSE was set up aiming to enhance the Corporate Social Responsibility movement in Bolivia. The network was created in 2004 by institutions, business associations, government agencies, foundations, international cooperation agencies, educational institutions, and companies engaged in CSR development, diffusion and practice in Bolivia.

COBORSE’s mission is to promote and diffuse the culture of Corporate Social Responsibility to boost sustainable development in Bolivia, working together with businesses and other society players through information networks, sharing of experiences and strategic alliances.

OBJECTIVE
The indicators were developed as a learning and assessment tool for the company’s management regarding the incorporation of corporate social responsibility practices, strategic planning, and monitoring of the company’s overall performance.

REFERENCE
www.coborse.org
www.coborse.org/cb/modules.php?name=Downloads&d_op=viewdownload&cid=3
Balanco Social

Instituto Brasileiro de Análi...
Akatu Corporate Social Responsibility Scale

Instituto Akatu pelo Consumo Consciente (Akatu Institute for Conscious Consumption)

COUNTRY
Brazil

WHAT IT IS
The Akatu Scale is a set of 60 Akatu-Ethos Corporate Social Responsibility Reference Points that, once filled out, enables companies to be categorized into four homogeneous groups in their social responsibility practices.

ORIGIN
The Akatu Institute is a nonprofit, non-governmental organization. It was set up on March 15 (World Consumer Rights Day) in 2001, within the Instituto Ethos de Empresas e Responsabilidade Social, to educate and mobilize the society for conscious consumption. The word “Akatu” is originally from the indigenous Tupi language and means, at the same time, “good seed” and “better world”. It translates the idea that a better world is related to the actions of each person. Akatu’s mission is to educate, create awareness of, and mobilize for conscious consumption.

OBJECTIVE
The Akatu Scale is a tool to help the consumer to assess companies according to their level of Corporate Social Responsibility. It also encourages reflection on the theme, and the communication between companies and their consumers and other stakeholders (employees, suppliers, shareholders, media, etc.).

CONTENT
The company’s rating in the Akatu Scale is not a certification; it is a tool for the organization and comparison of CSR practices among companies. The ranking process reflects neither opinions nor judgments made by specific institutions, for it is automatically created based on statements made by the companies, subject to objective and uniform criteria (equal for all companies with a specific profile). Companies can fill out and participate in the main system free of charge.

STEP BY STEP
Companies fill out the Akatu Scale questionnaire online and results are available on the Akatu for Conscious Consumption Reference Center website. The company may either answer the questions confidentially (for its own or restricted use) or authorize broad access to its answers.

After filling out the questionnaire, the company can access its ranking beforehand.

The Akatu Scale’s results are published online.

ASSESSMENT
Akatu Scale calculation and representation
Companies are initially ranked into four broad groups (categories), represented by icons (“akatus”) ranging from “zero akatus” to “3 akatus”.

The category given to a company is defined according to the score reached by the company in a set of 17 issues (companies’ CSR performance areas as perceived by the consumer).

The company’s score in each of the 17 issues is defined based on the responses it gives to a set of reference points.

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ø</td>
<td>For companies that do not have at least 12 of the Akatu-Ethos Reference Points implemented with score lower than 300 points *</td>
</tr>
<tr>
<td>2</td>
<td>For companies with score equal to 300 or lower than 550 points</td>
</tr>
<tr>
<td>3 2</td>
<td>For companies with score equal to 550 or lower than 730 points</td>
</tr>
<tr>
<td>3 2 3</td>
<td>For companies with score equal to or higher than 730 points</td>
</tr>
</tbody>
</table>

(*) Companies with this score, but whose information in the Reference Center is included in the option “visible to all users”, will be given the icon as a way to acknowledge and value its transparent and committed decision, even if its score is in the lowest level of the scale.
The Akatu-Ethos Reference Points are a set of CSR-related practices and/or policies selected because they represent, in a way that is easily understood by the consumer, what is ordinary and what differentiates companies in terms of CSR in Brazil. The CSR level of respondent companies and their category in the Akatu Scale is assessed based on the practice of these Reference Points.

NOTE

The reference points may or not be adopted by the companies, and in different levels. Once responded, there is a weighting of the reference points based on “weights” defined according to the results of a survey of Brazilian consumers to find out what is more or less valued in CSR practices and/or policies and the level of adoption of these practices by the companies, also identified from surveys and verifications of those companies. The specific methodology is available at www.centroakatu.org.br or by the e-mail faleconosco-cr@akatu.org.br.

The assessment criteria also include sector-related factors (industrial, non-industrial, etc.), the company size (small, medium or large) and the extent to which the company develops some quantifiable practices. In the current version, the factors size, sector and extent are not incorporated yet, for they depend on more data to be adequately defined.

The score (number of “Akatus”) is obtained from the responses of each company to a set of 60 questions ordered on a scale according to the following six options:

a) Implemented  
b) In the process of being implemented*  
c) Under analysis**  
d) Never discussed  
e) Will not be implemented  
f) Does not apply***

RESULT

When the Akatu Scale was launched in April 2005, 66 companies used it to present themselves to the public in the Akatu Reference Center. In April 2006, after one year, the number of user companies was nearly threefold, reaching 184 participants.

TIP 1

A survey conducted by the United Nations Global Compact in 450 companies showed Akatu as one of the 100 most competent non-governmental organizations to act in partnership with the private sector. The survey was carried out together with Dalberg Global Development Advisors, a consulting firm specializing in global development. The selection was based on four criteria:

1 – Accountability: dedication to upholding a strong relationship with the company it has partnered with.
2 – Adaptability: the partner’s capacity to understand and utilize the strengths and weaknesses of your organization to work towards a common objective.
3 – Execution: the partner’s ability to transform plans and intentions into successful partnerships.
4 – Communication: the quality of timely and concise information throughout the partnership.

The Business Guide to Partnering with NGOs and the UN brings the names of all the organizations chosen, as well as the ranking and the profiles. The objective of the Guide is to help companies to identify reliable civil organizations to partner with.

TIP 2

Companies and Products Guide

Publicity tool aimed at bringing companies closer to their end consumers, without intermediaries, as follows:

- The company itself records its products/brands and its best social responsibility practices.
- Consumers and other institutions place their comments, which can be answered by the companies.
- Akatu researches and records documents that help the consumer to understand the products and services consumed and learn about the actions of the companies that offer them.

A conscious consumer should know the social actions of companies and be able to associate the brands and products to their respective companies.

TIP 3

Akatu Conscious Consumption Indicators

Self-assessment and guiding tool that enables institutions and consumers to assess their conscious consumption profile. The use of the Akatu Indicators will help companies, schools, associations and other organizations to make diagnoses and action plans according to the degree of conscious consumption of their members. The system offers frameworks that suit institutions of different types and sizes. Consumers will also be able to create a community by generating customized reports to each member.
Bolsa de Valores Sociais e Ambientais (Environmental and Social Investment Exchange)

The São Paulo Stock Exchange – BOVESPA

COUNTRY
Brazil

WHAT IT IS
The Environmental and Social Investment Exchange (BVS&A) is a world pioneering program introduced by BOVESPA designed to support Educational and Environmental projects by Brazilian NGOs through the reproduction of the Stock Exchange environment aimed at promoting social and environmental improvement in the country. The idea here is to bring together Non-Governmental Organizations that require financial resources and investors (donors) willing to provide them.

ORIGIN
In 2003 Bovespa launched the Environmental and Social Investment Exchange. In 2007 this pioneering program was expanded and was given a new name – BVS&A. Upon this project introduction, recognized by Unesco as a pioneer in the world, Bovespa innovates not only in terms of respect for the channels through which NGOs can raise funds but also through the creation of the Social and Environmental Investor, Social and Environmental Stock and Social and Environmental Profit concepts.

The BVS&A Consulting Board is composed of 21 prominent experts from Educational and Environmental areas.

OBJECTIVE
Its main goal is to set up an environment intended to create values contributing to worthwhile projects in a transparent and reliable form. Accordingly, Bovespa and its associated Brokerage firms introduce the portfolio of the BVS&A-listed social and environmental projects intended to attract funds for them.

By purchasing stocks from the BVS&A-listed projects, the donor will become not only a social and environmental investor but also will have the guarantee that 100% of the donations will be transferred to the project selected.

CONTENT
The organizations selected for the list are those assisting low-income populations, aimed at fostering their social and economic inclusion, with positive impacts on the quality of life of communities benefited by the projects.

BVS&A has listed several social and environmental projects.

The social projects are divided into:
• Education & Training
• Citizenship
• Literacy
• Culture
• Health Education
• Psychosocial Care

The environmental projects are divided into:
• Sustainability Education
• Climate Changes
• Water Resources
• Biodiversity and Forest
• Sustainable Cities

STEP BY STEP
The donations at BVS&A are carefully coordinated by BOVESPA, which ensures a safe and transparent process from the selection of the listed NGOs to the deployment of each project. The Environmental and Social Investment Exchange is also supported by the Social and Environmental Brokerage Firms, institu-

O que é lucro socioambiental?
Todo investimento, por princípio, deve prover ao investidor lucros e dividendos. Quando você faz um investimento, como em ações, por exemplo, a expectativa é a de que seu dinheiro renda e valha a pena o investimento. A BVS&A entende que também os investimentos socioambientais podem gerar lucro - lucro socioambiental. Ao adquirir ações dos projetos listados na BVS&A, o investidor socioambiental fortalece a ONG e participa diretamente da construção de uma sociedade mais justa e de um meio ambiente mais protegido. Isso é o que chamamos de lucro socioambiental. Os termos investimento socioambiental, ação socioambiental, bolsa de valores sociais e ambientais e lucro socioambiental são meramente um trocadilho e uma alusão à Bolsa de Valores tradicional.
tions that have a qualified agent who can provide all the necessary information on how the donor can make their social and environmental investment: this agent is called "social and environmental ambassador."

- **Non-Governmental Organizations** with Educational and Environmental projects can fill out an Enrollment Form available on the website to send their proposals. There are no deadlines for the project submission. A group of social and environmental project experts will then review all the proposals and coordinate a selective process that will result in the potential listing of NGOs with BVS&A.

- **Individuals or corporations** can single out, among the listed projects, those in line with their social and environmental investment concepts and then acquire stocks from one or more projects. After selecting the project to support and determining how much to invest, the donor can choose to print out a bank slip and pay for your purchase with any bank or through the Internet. Alternatively, the donor can use their Visa credit card.

- The donor can follow their investments and the progress of the project selected through the website in the section "Follow", where the donor can access up-to-date information on the NGOs and their social and environmental projects.

- **All the funds raised by the BVS&A are fully transferred** without the deduction of any fee, commission or value whatsoever. BOVESPA will pay for all the operating costs from such transactions, CPMF (Provisional Contribution on Financial Operations) included. Therefore, 100% of the money invested is transferred to the social and environmental project selected.

- **There is a timeline available** for all the BVS&A-listed projects divided into stages. Every time there are funds enough to conduct at least one given full stage, the funds are released and invested under the supervision of the BVS&A technical team. No donation made through the BVS&A will be invested on the stock market. All the donations will be deposited in a specific bank account and will remain there until the NGO raises 100% of the funds required for the project or at least for a given stage of the project.

- **The Brazilian legislation** does not allow income tax deductions for donations to NGOs by individuals. As for corporations, income tax can be deductible according to some accounting limits and provisions.

**Four Reasons to Invest in the Environmental and Social Investment Exchange**

1. Funds are fully transferred to NGOs. BOVESPA guarantees all the funds raised by BVS&A will be fully transferred to the selected NGOs' project, without any kind of fee or deduction -- not even CPMF (Provisional Contribution on Financial Operations).

2. BOVESPA oversees all the operations carried out by BVS&A-listed NGOs. All the projects are carefully selected and permanently overseen by a specialized team coordinated by BOVESPA.

3. The donor can follow the evolution of their social and environmental investments.

4. The donor can create a social and environmental stock portfolio. Like on the stock market, at BVS&A the donor singles out the NGOs whose listed projects are more aligned with their social and environmental investment concept. The donor can either purchase stocks from only one listed project or create a portfolio with several listed projects.

**RESULT**

R$ 5 mi raised since 2003, which enabled the implementation of 36 educational projects.

Unesco recommends the replication of this model in other parts of the world.

Adopted as a Case Study by the office of the United Nations Organization's Global Compact and replicated in 2006 in South Africa (South African Social Investment Exchange – SASIX www.sasix.co.za). The stock exchanges of Malaysia, Namibia and Australia are interested in knowing more about the program.

BOVESPA has launched the Bovespa Social Responsibility Day, always celebrated in June. On that date, all emoluments from the stock trade at BOVESPA will be given to the BVS.

**REFERENCE**

www.bovespasocial.org.br ou www.bovespasocial.com.br
ETHOS Corporate Social Responsibility Indicators

Instituto ETHOS de Empresas e Responsabilidade Social – ETHOS (ETHOS Institute – Companies and Social Responsibility)

COUNTRY
Brazil

WHAT IT IS
A self-diagnosis tool that helps companies manage the social and environmental impacts deriving from their activities.

ORIGIN
The Ethos CSR Indicators were developed by the Instituto Ethos de Empresas e Responsabilidade Social, a non-governmental organization conceived in 1998 by private sector businesspeople and executives.

OBJECTIVE
In their seventh version, the Ethos Indicators continue to be the main corporate management tool for internal use developed by the Institute. They were created as a corporate management learning and self-assessment tool to incorporate social responsibility practices.

The structure of the Indicators enables the company to plan how to achieve a higher social responsibility level. It provides parameters for the subsequent steps, and together with the binary and quantitative indicators, help to draw up guidelines for the establishment of improvement goals within the scope of each theme.

It is available for companies in an electronic format. By responding to the Ethos Indicators, the company will be thinking over relevant information for a consistent Social Report.

CONTENT
The questionnaire (depth questions, binary questions and quantitative questions) is organized in seven broad themes:

- Values, Transparency and Governance
- Workforce
- Environment
- Suppliers
- Consumers and Customers
- Community
- Government and Society

The publication is translated into English and Spanish. The Indicators’ software is also applicable to micro and small companies through the revised and adapted publication entitled “Ethos-Sebrae Corporate Social Responsibility Indicators for Micro and Small Companies”, launched by the Instituto Ethos and the Serviço Brasileiro de Apoio às Micro e Pequenas Empresas – Sebrae (Brazilian Micro and Small Business Support Service) in 2003.


It is possible to use the information gathered to answer the Indicators and establish correlations with other initiatives:

GRI
www.ethos.org.br/docs/conceitos_praticas/indicadores/download/grn_ethos.pdf

Global Compact

Millennium Development Goals
www.uniethos.org.br/_Uniethos/documents/2005_06_07/Layout_IndMetas_final.pdf

The Ethos Sectoral Indicators, developed in partnership with entities that have a nationwide representation in their sectors, encompass their respective dilemmas
and peculiarities, enabling the company to analyze the typical opportunities and challenges of its sector.

The sectors which already have their own indicators are the following:

- Energy distribution
- Bakery and bars/restaurants
- Financial
- Mining
- Paper and pulp
- Road passenger transportation
- Oil and gas
- Civil construction
- Retail sectors
- Steel
- Sugar and alcohol

In order to fill out the sectoral version of the Ethos Indicators via software, the general Ethos-Sebrae CSR Indicators version must have been filled out.

**STEP BY STEP**

There is no basic and inflexible recipe to answer the Indicators, for each company is a different universe. The suggested steps are:

1. each business unit should answer its own questionnaire.
2. a coordinator should be appointed to centralize and systematize information, and facilitate the internal dialogue;
3. several areas of the company should participate in the process of filling out the questionnaire. The higher the number of people involved in the process and the more diversified the hierarchical levels and the departments involved, the more representative will the answers be and the deeper will the internal consideration be, thus ensuring a better self-diagnosis. It is free of charge

**AVALIAÇÃO**

All questionnaires are equally tabulated according to the Ethos scoring process, and all questions are given points. There is no differentiation between business size and sector, except for those organizations already included in the sectoral indicators. After filling out and sending the questionnaire, the CSR Diagnosis Report will be available in the company’s restricted area as of the date informed by the Instituto Ethos. The data provided by the companies will be used with total confidentiality, as well as the diagnosis reports developed by the Instituto Ethos. Companies apply them voluntarily and there is no award, seal or certificate.

**RESULT**

617 companies in the 2005 version. Outside Brazil, many Latin American countries have adapted the Indicators to their realities, and even Portugal has been using this tool. It continues to be used by the *Guia Exame de Boa Cidadania Corporativa* (Exame magazine’s Guide to Good Corporate Citizenship). The Abradee Award uses Ethos’ questionnaire with companies of the electric power distribution sector, one of the most advanced sectors in terms of Corporate Social Responsibility in Brazil.

**REFERENCE**

www.ethos.org.br/docs/conceitos_praticas/indicadores_autodiagnostico_setorial/default.asp

**DICAS**

O Instituto Ethos lançou em seu website do novo sistema dos Indicadores Ethos, que passa de sistema remoto para acesso on-line. A mudança do formato visa facilitar a aplicação da ferramenta pelas empresas, otimizar sua manutenção e disponibilizar um sistema por meio do qual as empresas possam incentivar boas práticas de gestão socioambiental entre seus fornecedores e clientes.

O sistema on-line possibilitará às empresas o acesso ao questionário e aos dados relativos a seu preenchimento dos Indicadores Ethos de qualquer computador, sendo mantidos os princípios de segurança de acesso e confidencialidade das informações, visto que apenas um responsável pelo preenchimento terá acesso global ao questionário e aos dados cadastrais. Esse responsável poderá cadastrar usuários do sistema, que acessarão partes delimitadas do questionário com senha e login próprios.

Outra vantagem dessa adaptação é a de proporcionar que as empresas utilizem suas respostas ao questionário para o estabelecimento de metas e planejamento de ações.

**DICA 2**

Programa Latino-Americano de RSE, firmado entre CCRE + CERES + PERU 2021 + COBORSE + CENTRARSE + ADEC formulará um questionário único para todos esses países da América Latina que contará também com um questionário específico para cada país participante.
Matriz Brasileira de Evidências de Sustentabilidade (Brazilian Matrix of Evidence of Sustainability)

WHAT IT IS
Analysis that interrelates sustainability aspects with well-known business success factors.

ORIGIN
In February 2003 the study Developing Value – The business case for sustainability in emerging markets, was published as a result of a partnership among Sus-tainAbility (a British business strategy consulting firm), International Finance Corporation – IFC and Instituto Ethos de Empresas e Responsabilidade Social.

The study mapped risks and opportunities for companies in their social and environmental sustainabil-ity strategies. Examples highlighted include companies of Africa, Asia, Central Europe, Eastern Europe and Latin America, showing how their efforts towards sustainability have improved their business performance. 240 cases of 176 companies from 60 countries were analyzed.

Launched in June 2004, the Brazilian Matrix of Evidence of Sustainability provides the opportunity to carry out a similar study specifically focused on the Brazilian market. This study uses a simplified version with the same structure of the original matrix of evidence to illustrate the relationship between sustainable actions and business success factors.

OBJECTIVE
The study aims to help companies to understand the opportunities, risks and implications deriving from sustainability strategies. The tool’s role is to show what actions enable companies to achieve its results by adopting procedures that foster sustainable development. Besides being a management tool, the sustainability matrix can be used by companies as a communication tool, as a sustainability-focused database, and as an aid in choosing indicators.

Summary of the study for download:
www.uniethos.org.br/_Uniethos/Documents/folheto_ifc.pdf

CONTENT
The matrix illustrates the correlation between Sustainable Factors (7 columns) and Business Success Factors (6 lines). The intersection formed between the two aspects (lines and columns) is the “cell” where the entrepreneur must include his/her experience in four Correlation Levels (none, little, some or considerable).

The detailing of each cell brings examples of successful cases that prove such a correlation. Companies that have developed any sustainable action and can produce evidence of its correlation with one or more business success factors can present their cases in the matrix.

STEP BY STEP
It is an evolutionary matrix, available online, where companies can include their cases and analyze the impact a certain action has on business and sustainability. The matrix was launched with business cases of 17 companies.

In order to submit one or more cases, the company must fill out the correlation cell where its case fits, checking the column (Sustainability Criteria) and the line (Business Success Factors), and register. Evidence must be produced. This is the objective of the matrix.

The selection of cases to be included in the matrix is made by a rotary committee comprising specialists and coordinated by Instituto Ethos and UniEthos¹, which provides it with consistency between the assessment and the criteria previously set in the Matrix. The cases analyzed will either be submitted by companies or selected from public media, such as newspapers, magazines or companies’ websites.

It is, therefore, an excellent opportunity to divulge existing actions, as well as leverage the business gains that the matrix points out.

REFERENCE
www.ethos.org.br/sistemas/ifc/default.asp
www.uniethos.org.br/_Uniethos/Documents/folheto_ifc.pdf

¹ UniEthos – Education on Social Responsibility and Sustainable Development is a non-profit organization founded as an initiative of the Instituto Ethos aimed at research, knowledge production, training, and capacity building for the business and academic worlds in the themes of social responsibility and sustainable development.
WHAT IT IS

Matrix that seeks to identify a set of essential Corporate Social Responsibility criteria and the several induction agents, in Brazil, that contribute to the adoption of socially responsible management practices.

ORIGIN

The work had a discussion phase involving the project’s stakeholders, in three dialogue workshops, coordinated by the Instituto Ethos. In these events, carried out in 2005, the preliminary material developed until then was submitted to companies, civil society organizations, business associations, government agencies, public companies, and other organizations, involving representatives of 21 institutions. As a result of the debates, the project was enhanced through suggestions and adjustments that, once incorporated, contributed the vision of several segments of society, bringing more consistency and meaning to the final work.

OBJECTIVE

The essential criteria and the matrix with the induction mechanisms of these criteria are an indispensable tool available to companies and organizations to encourage them and assist them in changing management behavior.

CONTENT

It is a reference point for reaching a minimum consensus on the current social and environmental demands that the main society actors have been making to companies. 33 reference sources (standards, norms, tools) were grouped into seven thematic areas, which, illustrated by 809 practices, produced 31 themes and 29 essential CSR criteria.

Seven thematic areas x 29 essential criteria

I – Human Rights
1 – Respect for human rights

II – Rights at Work
2 – Association and collective bargaining
3 – Non-discrimination
4 – Forced labor
5 – Child labor
6 – Educational and professional development
7 – Fair compensation and respect for rights at work
8 – Occupational health, safety and working conditions

III – Protection of Consumer Relations
9 – Protection of health and safety
10 – Access to adequate information Access to products/services
11 – Sustainable consumption
12 – Right to remedies and complaints
13 – Respect for privacy
14 – Consumer education

IV – Environment
15 – Environmental impacts management
16 – Reduction, reuse and recycling
17 – Environmental education and awareness
18 – Innovation and technology

V – Ethics and Transparency
19 – Ethical values and principles
20 – Competition
21 – Information disclosure
22 – Compliance with tax and legal obligations
23 – Political campaigns
24 – Anti-corruption practices

VI – Dialogue/Engagement with Stakeholders
25 – Environmental, social and economic development
26 – Government and society
27 – Community
28 – Production chain

VII – Corporate Governance
29 – Good governance practices

Finally, a correlation is made between induction mechanisms that contribute to the adoption of the 29 essential CSR criteria. The mechanisms chosen range from (i) mandatory, like laws, to (ii) voluntary, i.e., certifiable and non-certifiable self-regulations, to (iii) management practices.

Essential Criteria Induction Mechanisms

Mandatory or voluntary factors that influence the adoption of the criteria. In spite of acting simultaneously, they are grouped in the Matrix in four categories, which facilitates their visualization and understanding.

• Laws
• Certifiable self-regulations
• Non-certifiable self-regulations
• Management practices

REFERENCE

Gife Indicators of Private Social Investment Management
Grupo de Institutos, Fundações e Empresas – GIFE (Group of Institutes, Foundations and Enterprises)

COUNTRY
Brazil

WHAT IT IS
A set of indicators for assessing the organization’s social investment management.

ORIGIN
GIFE is the first South American association of grantmakers gathering privately held organizations that fund or operate social, cultural and environmental projects of public interest in a planned, monitored and systematic manner. In pursuing this objective, GIFE seeks to contribute to the promotion of sustainable development in Brazil basing its work on political-institutional strengthening, empowering and supporting strategic initiatives of its members and that of other organizations willing to make private social investment.

OBJECTIVE
The indicators may become a fundamental tool for improving the organizations’ management for, among other things, they contribute to identify how to better align objectives, strategies and programs, generate information and knowledge to support decision-making processes, etc.

The tool is self-applicable and focuses on the action performed by the private social investors. In other words, the variables presented for measurement have been chosen according to their relevance to the good development of the action.

The questionnaire results provide information on the organizations’ positioning regarding their key management processes, besides the comparison with other member organizations. It is important to highlight that the tool does not cover all the possibilities of institutional assessment. In fact, it intends to be a “starting point”.

CONTENT
It is a self-assessment questionnaire to assess institutional performance consisting of two parts:
1st – Institutional Structure for Action development, which should be answered by all private social investors; and
2nd – Structure for Development of Private Social Investment Action. This item is divided according to the type of action intended by the private social investors:
   a) Donors and
   b) Direct Intervention Projects.

Note: The organizations performing the two types of action should answer the two parts of the questionnaire.

The first part comprises four relevant themes regarding institutional performance:
Theme 1 – Decision-making structure
Theme 2 – Planning and action plan
Theme 3 – Funds for private social investment
Theme 4 – External relations

The second part comprises three themes that are repeated and adjusted to the two types of organizations as the case may be:
Theme 5a – Investment decision making process
Theme 6a – Investment follow-up
Theme 7a – Investment evaluation
Theme 5b – Action decision making process
Theme 6b – Execution
Theme 7b – Evaluation

STEP BY STEP
The closed multiple choice questionnaire should be answered by the organization’s CEO or President.

Evaluation. Each answer is worth a number of points. After filling out the questionnaire, the organization will obtain its score by theme as well as the final score.

These answers will make up a ranking including all member organizations’ scores. This will enable a comparison among the GIFE member organizations. However, the organizations will not be identified in the institutional performance ranking.

Comparisons with benchmark organizations are also provided.

It is worth mentioning that organizations engaged in the two types of action will obtain separate scores.

REFERENCE
www.gife.org.br
Guide on Cooperatives’ Social Responsibility Indicators

Fundação Instituto de Desenvolvimento Empresarial e Social - FIDES (Social and Business Development Institute Foundation) OCESP/SESCOOP-SP System (São Paulo State Organization of Cooperatives)

“It is enough to remember that the social commitment is in the heart of cooperatives, since the movement was created to solve social problems through economic action.”

Evaristo Machado Netto, President of the Ocesp/Sescoop System

COUNTRY
Brazil

WHAT IT IS
A tool for the analysis, planning and follow-up of cooperatives’ social responsibility practices.

ORIGIN
The cooperatives’ CSR indicators were developed by a partnership between Sescoop/SP and Fides. The Social and Business Development Institute Foundation (Fides) is a non-governmental organization founded in 1986 aimed at mobilizing the civil society towards the common well-being understood as one that simultaneously meets the needs of a specific community and the society as a whole.

The Ocesp/Sescoop System aims to develop and build capacity of the State of São Paulo cooperativism, which currently gathers one thousand cooperatives. The São Paulo State Organization of Cooperatives (Ocesp), organized in 1970, advocates anddiffuses the benefits of cooperativism and its principles, promoting representation, educational, guidance, communication, and integration actions.

The Sistema Nacional de Aprendizagem do Cooperativismo – Sescoop (National Cooperative Education Service) was created in 1998 with the objective of invigorating the cooperatives through capacity building, support, consultancy and social promotion programs.

OBJECTIVE
Providing both the cooperatives and Sescoop/SP with a tool to assess the progress of cooperatives’ social practices, both individually and comparatively. In addition, this work also provides the basis for social reporting by the cooperatives.

CONTENT
The questionnaire is organized as follows:
- Ethics and transparency
- Environmental impact management
- Relations with the local community
- Relations with members and their families
- Relations with employees and their families
- Relations with suppliers
- Relations with end customers and consumers
- Relations with the public power

STEP BY STEP
The questionnaire is distributed free of charge. An explanation on how to fill out each social indicator is provided in a specific chapter of the guide. It will be periodically updated.

ASSESSMENT
After answering the questions, the cooperative will be classified in one of the four levels of each indicator. The end of the guide presents an answer sheet for the cooperative to write down its classification in all indicators. The cooperative will obtain its social profile by joining the answers with straight lines. This profile provides the cooperative’s strengths and weaknesses, thus helping on the development of the necessary strategy and action plan to implement a CSR policy.

DICA
The publication Guia Social do Cooperativismo Paulista – 2005 (Social Guide to São Paulo State Cooperativism – 2005) shows the concern of São Paulo State cooperatives with disclosing their performance regarding social responsibility and will serve as encouragement for other cooperatives to engage in and report on their social actions.

REFERENCE
www.fides.org.br
www.portaldocooperativismo.org.br
Sustainability and Strategic Planning Assessment Tool - IASPE
Fundação Dom Cabral - FDC

COUNTRY
Brazil

WHAT IT IS
This tool sums up both the historical perspective and future state of the art trends in the articulation between concepts and practices regarding sustainability and strategic planning, thus enabling the development of an agenda that joins the premises of the sustainable development movement and the role of strategic planning in the organizations.

ORIGIN
The IASPE is the result of a research carried out in 2007 by the Fundação Dom Cabral’s Reference Center on Responsible Management for Sustainability, which gathers a distinguished group of major Brazilian and multinational organizations. Its mission is to develop management practices that contribute to the country’s and world’s sustainability. Theoretical and practical investigations have been carried out in the development of this tool, including bibliographic research, participation in relevant events, involving specialized institutions that are designing and adopting benchmark sustainability and corporate governance practices. The results showed the need to adjust the strategic planning to the sustainable development movement.

The concept model guiding the Reference Center’s initiatives is based on a tripod comprising: Responsible Management towards Sustainability – business management focused on sustainability; Conscious Organizations – organic and humanely conscious perception of the organizations’ living reality; and Biosystem Thinking – the exercise of perception, reflection and development of attitudes and actions based on the recognition of natural principles.

This “Biosystem Thinking” was used to clarify the relationship between sustainability and strategic planning. It identifies the vital dynamics present in the organizations’ internal and external interactions. This logic is symbolically represented by the biogram, which on its first complexity level describes the mutual relationship of smaller organisms within bigger ones.

Aimed at companies in general, the biogram is concentric circle-shaped showing the dimensions of organisms ranging from the most central to the most comprehensive in the following order: individual, organization, market, society, and planet.

As for the sustainability and strategic planning-oriented biogram, the organisms ordered in concentric circles assume, in broad terms, the following configuration: sustainability and strategic planning, executive board, board of directors, organization, market, society, and planet.

OBJECTIVE
The tool aims to evaluate the sophistication level of the sustainability and strategic planning practiced by the organization, thus enabling a better strategic positioning regarding the theme so as to promote its longevity in harmony with the sustainability of the markets, society, and natural resources involved.

CONTENT
The tool’s structure is based on the sustainability and strategic planning biogram. There are a series of questions for each organism addressing items that identify to what extent the governance is adjusted to sustainability, which should be assessed in a scale ranging from 0 to 4, as follows: 0 = not applicable (due to company size or other reason); 1 = nonexistent (there is no intention to adjust to the item); 2 = there is the intention to adjust to the item; 3 = partially adjusted (some processes must be systematized); 4 = adjusted (processes fully systematized). This scale measures the applicability of the question in relation to the company’s reality and the level of internalization of the assessed item.

The term “Board of Directors” is used in the IASPE. For those companies not having a Board of Direc-
Appoint one or more specialists in the issue addressed and representatives of the company's strategic level to answer the IASPE questions.

Once the questionnaire has been answered, analyze the answers aiming to identify the main gaps in the planning adjustment to sustainability.

Depending on the company’s reality, the strategic planning adjustment actions could be planned to strategically focus on the needs of the organization and the relevant stakeholders.

RESULTS

The results directly associated with the use of this tool are:

- Promotion of the enterprise’s longevity;
- Adjustment of the strategic planning to the sustainability principles;
- The company might become a benchmark in sustainability.

An organization can become a benchmark in a certain aspect of sustainability and strategic planning through formal recognition such as important awards, visibility in the specialized media, invitations to official events of renowned institutions to present its experiences and/or to be paid special homage, and reports of cases in prestigious publications.

REFERENCE

www.fdc.org.br

Note: The companies comprising the FDC’s Reference Center on Responsible Management for Sustainability are Anglogold Ashanti, Construtora Andrade Gutierrez, Sadia, TIM, Souza Cruz, Banco Itaú, Banco Real, Arcelor (Belgo Mineira and CST), and Philips.
Corporate Social Responsibility Indicators
Accion Empresarial – ACCION

COUNTRY
Chile

WHAT IT IS
The Corporate Social Responsibility Indicators are a practical tool that enables companies to assess the commitment level of their strategies, policies and practices concerning the responsibility of a “good corporate citizen”.

ORIGIN
The document, published with the Ford Foundation support and developed by the School of Administration of the Catholic University of Chile, under the responsibility of Acción RSE, is the first true assessment tool of socially responsible work developed on a day-to-day basis by Chilean companies. It was launched in 2001.

Acción Empresarial is a non-profit organization created to foster social responsibility in companies operating in the country. The organization was founded in May 2000 as an initiative of the Chilean private sector and, from the beginning, has received support from the Business for Social Responsibility (BSR-USA), and the Fundación Generación Empresarial, which is sponsored by the Confederación de la Producción y del Comercio (CPC).

OBJECTIVES
The tool enables companies to perform a self-assessment and comparison with other companies of the same sector so as to improve and enhance management practices.

CONTENT
The questionnaire comprises around 200 questions divided into five broad themes:
1. Business ethics
2. Quality of life in the workplace
3. Environment
4. Commitment to the community
5. Responsible marketing

Besides quantitative and narrative questions, most answers have six options:

- Strongly disagree
- Partially disagree
- Slightly disagree
- Slightly agree
- Partially agree
- Strongly agree
- Not applicable

Following the questionnaire application, the company carries out an analysis of individual results by theme. All results must be sent to Acción Empresarial so that the company can receive comparative data from other companies.

NOTE
The associate company can also use the CSR Diagnostic Tools, available to all companies willing to use a specific tool adapted to the country’s reality, to assess the level of corporate social responsibility integration into its business. Its application allows rating the company’s practices from +1 to -4. The assessment also allows analyzing whether CSR is integrated into the organization.

This diagnostic tool was developed in 2005 by Acción RSE in partnership with the consulting firm Gestión Social based on the update of the “CSR Indicators”. The tool has been tested in seven companies. The companies requesting the application of this tool can participate in the benchmarking study to be carried out annually with the companies assessed by this system. In addition, the companies can request from Acción RSE a qualitative feedback on the areas that need improvement to advance in the CSR field.

REFERENCE
[www.accionrse.cl](http://www.accionrse.cl)
[www.accionrse.cl/app01/home/pdf/documentos/Indicadores.pdf]
CSR Manual for SMEs
Fundación Prohumana - PROHUMANA

The CSR manual for SMEs was conceived as a tool for helping small and medium-sized enterprises to incorporate social responsibility into their management in a strategic and organized way.

[Objetivo]

COUNTRY
Chile

WHAT IT IS
The Manual is focused on small and medium-sized Chilean companies willing to gradually adopt socially responsible strategies to improve their management and contribute to a sustainable human development.

ORIGIN
The PROhumana Foundation has been developing a socially responsible culture in Chile and Latin America for ten years. Its work includes the development of a series of tools and methodologies to help companies, civil society and public power entities to adopt socially responsible management. It has developed, in partnership with the Production and Commerce Confederation, a specific tool for this sector.

OBJECTIVE
The CSR manual for SMEs was conceived as a tool to help small and medium-sized enterprises to incorporate social responsibility into their management in a strategic and organized way. Through simple language and hands-on explanations, this Manual seeks to provide equitable learning conditions for SMEs on the CSR field aiming to qualify the country’s business leaders.

CONTENT
The Manual includes six dimensions:
• Values and Coherence;
• Workforce;
• Suppliers;
• Consumers;
• Community; and
• Environment.

The Learning and three-sector Relations dimensions are integrated into the content of the six ones mentioned above in a cross-cutting fashion so as to enable their implementation.

Each company should progressively incorporate these aspects. The definition of management areas allows effective organization and management of human and financial resources, besides generating systems of performance assessment and information.

A detailed description of the dimensions’ components will be further provided with definitions, legal requirements, means of CSR implementation and assessment.

In addition, the company can carry out a self-diagnosis survey in each sub-dimension and plan on the practices to be undertaken. It is important to consider that the actions suggested in this document can be complemented by the companies’ own initiatives.

The manual also presents a strategic plan for implementing corporate social responsibility practices in each one of the five dimensions.

REFERENCE
www.prohumana.cl
www.prohumana.cl/documentos/guiarse.pdf
Sistema de Gestión de Responsabilidad Integral® - SGRI

Responsabilidad Integral® - RI

COUNTRY
Colombia

WHAT IT IS
It is a set of tools that allows for a more systematic management of efforts required to achieve sustainable development and corporate social responsibility.

ORIGIN
Responsabilidad Integral® was developed by the Canadian Chemical Producers’ Association (CCPA) in 1985 under the name Responsible Care® and since then has spread throughout the five continents. Currently, 52 countries are implementing this initiative.

Responsible Care® was officially adopted in Colombia in 1994 by 36 major companies in the country with the support of the then President of the Republic, César Gaviria Trujillo, under the name Responsabilidad Integral® – RI (Total Responsibility).

OBJECTIVES
It is a model that helps the member companies to implement their Guiding Principles and Codes of Management Practices together with the remaining core elements of this initiative: Continuous Follow-up and Progress Self-assessment, Performance Indicators, Assurance, Mutual Help and Community Relations, in a coherent and harmonious way with other management systems such as ISO 9000, ISO 14000, OHSAS 18000, BASC, and SA 8000. These tools, called Core Elements, enable Responsabilidad Integral to operate as a Plan–Do–Check–Act (PDCA) continuous improvement cycle or as a management system whose incorporation and application take place gradually and in the long term.

CONTENT
1. Guiding Principles
Policies that guide and make the company commit to continuously improving its people and environment protection performance and contributing to the development of local communities and the society as a whole.

Management guides for structuring and managing the company’s activities and operations aimed at facilitating changes in behavior and abilities in order to en-

<table>
<thead>
<tr>
<th>Code</th>
<th>No. of Management Practices</th>
<th>No. of Key Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Preparation of the community for emergency response</td>
<td>19</td>
<td>53</td>
</tr>
<tr>
<td>2. Distribution and transport</td>
<td>19</td>
<td>70</td>
</tr>
<tr>
<td>3. Process safety</td>
<td>20</td>
<td>63</td>
</tr>
<tr>
<td>4. Environmental protection</td>
<td>11</td>
<td>37</td>
</tr>
<tr>
<td>5. Product follow-up</td>
<td>12</td>
<td>52</td>
</tr>
<tr>
<td>6. Occupational health and safety</td>
<td>24</td>
<td>82</td>
</tr>
<tr>
<td>7. Physical security of information</td>
<td>13</td>
<td>46</td>
</tr>
<tr>
<td>Total</td>
<td>118</td>
<td>403</td>
</tr>
</tbody>
</table>

sures successful application of the guiding principles. These guides comprise a set of good practices organized in seven work fronts, with 118 practices and 403 key activities as follows:

3. Follow-up and Self-assessment
A formal system that enables companies to periodically measure their progress towards Responsabilidad Integral® implementation and set increasingly demanding targets. It is a planning tool for the companies and for the Responsabilidad Integral® guidelines that helps to identify strengths and improvement opportunities for developing actions, plans and programs.

Responsabilidad Integral® – Colombia has a Follow-up and Self-assessment Guide describing the reach of
each practice, defining the concept of practice achievement, and setting the key activities to be carried out in order to meet the targets and establish the implementation levels and stages.

4. Performance Indicators

Tools to measure and report on progress in the total responsibility process implementation both internally (supporting entities at national and international levels) and in respect of the community.

5. Mutual Help

Support through which companies share experiences and achievements in the implementation of RI commitments, foster progress in beginner companies and strengthen the advanced ones while preserving intellectual property rights and confidential information.

6. Public Consultation Panels

Forums that establish an open and transparent dialogue among the surrounding communities’ representatives, companies participating in the program including their governance bodies, government agencies, and other stakeholders. The objective is to bring all these players together to share their concerns regarding health, safety and environment, thus building mutual respect and trust. The participants have stressed the importance of companies—communities—public power participation and interaction, the usefulness and relevance of the themes addressed, and the companies’ preparation for emergency response.

7. Assurance

Set of concepts, means and tools used in the Responsabilidad Integral®—Colombia process to compare in a formal and systematic manner the self-assessment results, the Management Practices Codes implementation, achievement of targets, and the concrete incorporation of directive principles. This system has a general assurance manual, assurance guides for the participating company, auditors and observers. Companies are verified by a team consisting of public power representatives (especially from the Ministries of Environment, Health, Employment, Transport and Interior), representatives of the community, other stakeholders, and member companies, as well as the assurance leader.

8. RI Name and Logo

Responsabilidad Integral is identified by a logo illustrated by hands and molecules that convey the message of careful handling of chemical substances. This logo is adopted by the International Council of Chemical Associations (ICCA), globally responsible for Responsible Care®, to identify associations, federations, and member companies that implement this set of tools in their countries. The logo is a trade mark, so its use is limited. In Colombia, it comes with the slogan “A social and environmental commitment to sustainable development”.

RESULTS

International Recognition

The World Economic Forum has acknowledged Responsible Care’s contribution to sustainable development in view of the work performed by the companies in the 52 countries where the initiative was implemented. As a result, the number of companies implementing this initiative was one of the 76 parameters used by Yale and Columbia universities to calculate the Environmental Sustainability Index. This index annually measures the countries’ ability to protect the environment.

REFERENCE

http://responsabilidadintegral.org
CCRE Index

Centro Colombiano de Responsabilidad Empresarial – CCRE (Colombian Center for Corporate Responsibility)

**COUNTRY**
Colombia

**WHAT IT IS**
The CCRE Index is a tool that assesses social responsibility practices developed by companies in respect of their stakeholders as well as the coherence of the companies’ processes, policies and corporate principles within socially responsible management schemes.

**ORIGIN**
The Colombian Center for Corporate Responsibility – CCRE is a non-profit non governmental organization created in 1994 under the auspices of the Fundación Social and the Inter-American Foundation (IAF) that works on CSR research, development and promotion.

**OBJECTIVES**
The CCRE Index is a management tool whose results allow building and strengthening socially responsible actions developed considering each group that relates with the companies. The CCRE Index allows the following:

- Identifying, characterizing and assessing the organization’s performance regarding social responsibility management and the impact of their practices;
- Defining whether corporate policies, processes and principles are aligned to socially responsible management;

The CCRE Index application will show results that enable the company to:

- Develop or guide its business strategy towards social responsibility;
- Define the meaning, purpose and understanding of CSR to the organization and its collaborators;
- Strengthen the most vulnerable aspects of CSR;
- Align and integrate CSR practices throughout the organization;
- Become more competitive.

**CONTENT**
The tool provides a better understanding of the social responsibility status within the organization in its five dimensions (organizational surrounding, self-regulation, market, community and environment) through an assessment of the practices and processes around the 18 aspects that CCRE has identified in socially responsible management:

1. Corporate governance
2. CSR strategic direction
3. Organizational culture
4. Communication
5. Accountability
6. Labor relations
7. Corporate values
8. Ethical policies
9. Ethical management
10. Socially responsible market
11. Supply chain and outsourced services
12. Relations with the competition
13. Corporate networks
14. Integration with the community
15. Responsibility to the government
16. Waste management
17. Resources conservation
18. Clean production

**STEP BY STEP**
This Index is directly applied in organizations willing to measure their CSR management.

The CCRE index application is carried out in four steps:

- Assurance Phase. Assurance and assessment of stakeholder compliance with CSR policies, programs, processes and practices.
- Valuation Phase. Valuation of impact, sustainability, completeness, quality, acceptability and reliability of CSR practices developed by the company.
- Focus Phase. Identification and prioritization of social responsibility management working areas. Basic guidelines are defined in order to strengthen the CSR plan.

According to the company’s ranking, it can choose to have the Sello CCRE, a CSR excellence seal that attests the implementation of outstanding CSR policies, programs and practices in its management models, fully meeting the expectations and needs of different stakeholders.

**REFERENCE**
www.ccre.org.co
www.ccre.org.co/indiceccre.htm
Results of the study Línea de base sobre Responsabilidad Social Empresarial en Colombia 2006 carried out by CCRE and Ipsos-Napoleón Franco are available at:
Social Responsibility Indicators
Consorcio Ecuatoriano para la Responsabilidad Social – CERES (Ecuadorian Consortium for Social Responsibility)

The Ecuadorian Consortium for Social Responsibility – CERES is a network of organizations that promote the concept of socially responsible practices in Ecuador.

[Objetivo]

COUNTRY
Ecuador

WHAT IT IS
Indicators that enable the quantification of the social responsibility level of companies, foundations, universities, among other organizations.

ORIGIN
The Ecuadorian Consortium for Social Responsibility – CERES is a network of organizations that promote the concept of socially responsible practices in Ecuador. The Consortium started its activities in 1998 when the Fundación Esquel del Ecuador and the Synergos Institute from the United States held a series of meetings and capacity-building events to promote and strengthen social responsibility within the Ecuadorian philanthropic sector.

OBJECTIVE
Ceres seeks to develop tools to meet the need of organizations willing to incorporate CSR, such as:

- Basis diagnosis
  Ceres has developed a social responsibility diagnosis to assess the behavior of Ecuadorian organizations and companies. The results enable different organizations to develop a next step strategy for their activities.

- Indicators
  The development of a series of indicators that enable the quantification of the social responsibility level of companies, foundations, universities, among other organizations, is indispensable for understanding Ecuador’s reality.

- Practical guide
  This document is a consulting service for organizations interested in keeping, developing or enhancing their social responsibility programs.

CONTENT
Not available

REFERENCE
www.redceres.org

NOTE
Social responsibility certification – Ceres is currently working on the development of a social responsibility certification mechanism. The certification will assure that the organization follows, both internally and externally, social responsibility principles.
5.16 DERES

Corporate Social Responsibility Self Assessment Guide
Desarrollo de la Responsabilidad Social – DERES

COUNTRY
Uruguay

WHAT IT IS
Corporate Social Responsibility Indicators

ORIGIN
DERES gathers the main Uruguayan companies and entrepreneurs that seek to develop corporate social responsibility both conceptually and practically. It provides guidance on how to be in line with the best management practices.

OBJECTIVES
The Corporate Social Responsibility Self assessment Guide has been developed as a tool to help companies assess their performance in the various CSR areas. It intends to answer the following question: What is the company’s development level regarding CSR?

CONTENT
DERES has defined five CSR areas that indicate a company’s development level regarding CSR:

• Working Conditions and Employment
• Responsible Marketing
• Environmental Protection
• Support for the Community
• Values and Ethical Principles

In addition to quantitative questions, the questionnaire has one hundred questions with the following possible answers.

1. Yes (always)
2. Sometimes
3. No (never)
4. It does not apply to our company

Once the questionnaire is answered, the average is calculated by adding up the total score according to the options (3, 2 or 1) checked in each question and dividing it by the number of questions effectively answered. Unanswered questions (N/A) are disregarded. Finally, the company answers the WBCSD’s self-assessment questionnaire (attached to the document). This self-assessment questionnaire was extracted from the document Corporate Social Responsibility: making good business sense, published by the World Business Council for Sustainable Development, and shows to what extent an organization is committed to Corporate Social Responsibility.

REFERENCE
www.deres.org.uy
PERU 2021 Social Responsibility Model
Peru 2021

COUNTRY
Peru

WHAT IT IS
The Peru 2021 Social Responsibility Model is a practical example of social responsibility application, including a review of the SR concept, actions to be taken by the company regarding its stakeholders, and the benefits resulting from such actions both to the stakeholders and the company itself.

ORIGIN
Peru 2021 represents the World Business Council for Sustainable Development (WBCSD) in Peru. Founded in 1994, Peru 2021’s mission is to create a Country Vision so that its development gathers all efforts towards the same direction. It is an initiative of major Peruvian businesspeople that believe in the role of companies in the sustainable development of the country. Social responsibility becomes the tool to achieve this Country Vision.

OBJECTIVE
The objective of the social responsibility model is to become a useful tool for applying the methodology in the companies.

Peru 2021 seeks to clarify to the companies their role as agents of change within the society and the benefits social responsibility can bring to organizations. It is also meant to show how their actions and decision-making processes impact on their stakeholders.

The model is a perfect updated and practical complement to the publication El ABC de la Responsabilidad Social Empresarial en el Perú y en el Mundo.

CONTENT
The model presents and suggests a brief review of the social responsibility concept, actions to be taken by the companies regarding each stakeholder group, and the benefits resulting from such actions both to the company and to each stakeholder group.

Finally, several both national and international study cases are described.

STEP BY STEP
O modelo de RS do Peru 2021 tem a seguinte estrutura:

- Social responsibility concept
- Why companies should be socially responsible?
- Model

RESULTS
Currently, Peru 2021 has the support of over 50 Peruvian companies applying the model developed by the organization. Peru 2021 has held for the past three years an annual contest of corporate social responsibility projects, divided into each of the seven interest groups of the model. The contest has encouraged the participation of companies using the Peru 2021 model to define stakeholder groups and the main measurement indicators.

REFERENCE
www.peru2021.org/nuevo/cont/modeloRS.htm
www.peru2021.org
Corporate Social Responsibility Indicators for Costa Rica

Asociación de Empresarios para el Desarrollo – AED

COUNTRY
Costa Rica

WHAT IT IS
A self-assessment tool aimed at reviewing the company’s management practices in each area requiring a socially responsible conduct.

ORIGIN
This project is an initiative of AED – Asociación de Empresarios para el Desarrollo, and had the financial support of the Hivos Foundation, from the Netherlands. The guide resulted from a research carried out by INCAE, followed by a public consultation process with several local stakeholders.

AED is a private non-profit organization that promotes corporate social responsibility in Costa Rica. It diffuses a new culture of corporate social responsibility that can foster sustainable development in the country through direct participation, volunteer initiatives, and NGO partnerships and capacity building.

OBJECTIVE
This guide is aimed at providing guidance and measurement parameters for Costa Rican companies, so they can self-assess their performance in different social responsibility areas.

The model establishes eight categories on which the company should focus to achieve a socially responsible conduct. It is accompanied by a self-assessment tool that enables companies to map their CSR practices and develop policies towards a Corporate Social Responsibility project.

Based on the results of this assessment, companies are encouraged to take actions to incorporate CSR practices into their strategic planning and develop mechanisms to monitor their performance.

CONTENT
The conceptual development of the CSR model takes into account the following key aspects:

1. The national context through the identification of the main problems affecting the Costa Rican society and the local private sector development;

2. International CSR trends;

3. The tool should be of scientific nature and directly relevant to the private sector regarding potential benefits to the companies.

The model was subject to consultation processes aimed at its validation by different stakeholders.

The eight categories on which the company should focus to achieve a socially responsible conduct are:

1. Transparency, values and anti-corruption practices;
2. Workforce;
3. Key stakeholders (customers, suppliers and community);
4. Environment;
5. Institutional enhancement;
6. Economic sustainability;
7. Consumers;
8. Suppliers.

STEP BY STEP
Type 1 indicators were defined for companies to assess their performance along time and as a data recording method for decision making.

Type 2 indicators enable companies to adjust to one of the four stages presented.

In late 2004, AED developed a mechanism to evaluate and process the information provided by the companies that answered the indicators. The objective is to enable companies to compare their CSR performance with other companies nationwide or with international standards set for specific industries or activities. AED keeps strict confidentiality when carrying out these comparative studies and provides companies with a report on their CSR performance.

REFERENCE
www.aedcr.com
Corporate Social Responsibility Practices Self-Assessment

Fundación Empresarial para la Acción Social - FUNDEMAS

COUNTRY
El Salvador

WHAT IT IS
CSR Indicators

ORIGIN
The Fundación Empresarial para la Acción Social – FUNDEMAS was created in May 2000, with the objective of contributing to the economic and social development of El Salvador by enhancing Corporate Social Responsibility, promoting Corporate Philanthropy, and encouraging Entrepreneurial Behavior.

FUNDEMAS developed three programs aimed at fostering the development of social values and a business culture aligned with the demands and challenges of the globalized economy. Many of its activities are performed by volunteer work that contribute time, talent and resources.

The three programs are:

EMPRESAL – Empresa Salvadoreña para la Responsabilidad Social.

EMPRETEC – Programa para el Desarrollo de Emprendedores.

FiDES – Fondo para Iniciativas de Desarrollo Educativo de El Salvador.

OBJECTIVE
The corporate social responsibility practices self-assessment is a tool mainly for internal use that enables management review, respect for and incorporation of CSR practices into strategic planning, and company’s overall performance monitoring. Through this tool, Salvadorian companies can have their CSR performance level identified.

The self-assessment questionnaire was designed so that the Human Resources manager, the Communications manager, the general manager or the business owner can easily separate CSR practices by areas. The form is comprehensive, covering a wide range of themes, which will demand the participation of all departments of the company in the process to ensure the availability of complete data. This will also encourage staff engagement in the process.

CONTENT
The questionnaire includes closed and multiple choice questions. The CSR areas covered are:
1. Principles, ethical values and governability;
2. Workplace and human rights;
3. Environment;
4. Responsible market;
5. Community;
6. Public policy; and
7. Suppliers.

STEP BY STEP
This self-assessment form is based on the survey Corporate Social Responsibility of Private Companies in El Salvador, carried out by FUNDEMAS in 2002, involving over 450 national companies. Each question shows the corresponding national average in 2003, which helps identify the country’s corporate trend regarding a specific practice or situation.

ANALYSES OF RESULTS
Companies are requested to send their results to FUNDEMAS (by fax or e-mail) so that national averages and trends can be updated.

- FUNDEMAS guarantees strict confidentiality in the data gathering and processing.
- Companies are not identified in the statistical presentations and the data is published in a consolidated manner.
- A potential disclosure of experiences and practices can be made only upon previous consultation to and authorization of the company.
- The diffusion of all practices to stakeholders is important in order to create shared responsibility.

TIP
Sectoral Focus – In addition to the CSR Indicators, the FUNDEMAS CSR sectoral indicators were developed in 2007 for the construction sector by the Salvadorian Industry and Construction Chamber Committee.

REFERENCE
www.fundemas.org
IndicaRSE 2006
Centro para La Acción de La Responsabilidad Social Empresarial en Guatemala - CentraRSE

COUNTRY
Guatemala

WHAT IT IS
IndicaRSE are corporate social responsibility indicators for Guatemala developed by CentraRSE. It is a self-assessment tool to measure the application of CSR policies and practices.

ORIGIN
CentraRSE is a private, independent, of association nature, unaffiliated with any political party, non-profit organization, whose objective is to foster a behavior of change in companies operating in the country, so that they consciously implement corporate social responsibility practices. CentraRSE is a representative of the World Business Council for Sustainable Development (www.wbcsd.org). It also takes part in Empresa, a network of corporate social responsibility institutions in the Americas (www.empresa.org).

OBJECTIVE
The indicators are self-assessment tools that enable companies to set CSR practices benchmarks within an organization or among national and international companies.

IndicaRSE is based on international CSR Indicators models, mainly Latin American ones, adapted to the Guatemalan context.

• Each company will be able to independently measure its annual performance in business areas. IndicaRSE makes individual analysis of the performance level in each of the CSR areas and identifies areas for improvement.
• In addition, IndicaRSE enables the comparison of results, both internally and externally, among business areas and with other national companies.
• IndicaRSE helps understanding and applying CSR in the Latin American economic and social context, and integrates world trends through its linkage with the United Nations Global Compact.

Finally, the IndicaRSE tool serves as a guide to CSR practices and actions. The questionnaire provides a CSR management and planning tool through a list of responsible practices.

CONTENT
The indicators are presented in a questionnaire format, divided into sets of questions by CSR area. The questionnaire comes in a single model applicable to all economic sectors, and comprises 211 questions. The seven CSR areas covered are as follows:

• Values and Transparency
• Workforce (working conditions)
• Suppliers
• Consumers/Clients
• Environment
• Community
• Government

In addition to quantitative questions and open comments, the answers are given as follows:

• Yes
• In progress
• No
• Not Applicable

A correspondence between the indicators and the Global Compact is provided.

REFERENCE
http://centrarse.org
http://centrarse.org/CENTRARSE_indicadores.pdf
AutoevaluaRSE
Centro Empresarial de Inversión Social - CEDIS

COUNTRY
Panama

WHAT IT IS
Social responsibility self-assessment indicators.

ORIGIN
IntegraRSE, the new name for the 2nd Phase of the Centro Empresarial de Inversión Social – CEDIS, is a non-profit organization, nationally and internationally known as a leading institution in the corporate social responsibility field in Panama. It was founded in January 2000 with the support of the W. K. Kellogg Foundation.

As a member of the Foundation's Leadership in Philanthropy in the Americas program, Integrarse is the Panama chapter of the World Business Council for Sustainable Development (WBCSD), an organization whose members include major transnational companies that support CSR. The guide, published by Integrarse, was originally developed by the Instituto Ethos de Empresas e Responsabilidade Social (Brazil), and adapted to Spanish by the Instituto Argentino Responsabilidad Social Empresaria – IARSE as a tool to be used by companies seeking to integrate social responsibility into their culture and activities.

OBJECTIVE
Corporate social responsibility self-assessment guide.

CONTENT
Introduction
How to integrate CSR into the company culture presents a checklist for reviewing the guide’s action items. Recording the assessment results is critical for monitoring the company’s progress in the implementation of social responsibility targets and goals.

There are 138 self-assessment questions divided into five themes:

• Corporate ethics
• Organizational climate
• Responsible market
• Environment
• Community development

The five possible answers are:
1. In progress
2. There is room for improvement
3. It is worth considering
4. It has not been considered yet
5. Not applicable

REFERENCE:
Manual con auto-avaliação
www.integrarse.org.pa
COUNTRY
Canada

WHAT IT IS
Questionnaire and guidelines that present a set of practices that can be easily applied by small, medium-sized and large businesses seeking to improve their social responsibility management.

ORIGIN
Founded in 1995, CBSR is a business-led, non-profit CSR consultancy and peer-to-peer learning organization that provides its members with candid counsel and customized advisory services as they formulate powerful business decisions that improve performance and contribute to a better world.

The Good Company Guidelines were developed in 1996 by CBSR to be a coherent set of guidelines specific to Canadian companies and applicable to small, medium-sized, and large businesses. The Guidelines were reviewed in 2002 and are detailed in the “GoodCompany Guidelines for Corporate Social Performance”.

OBJECTIVE
The GoodCompany Guidelines are a practical tool that enable small, medium and large-sized companies to pinpoint their performance gaps, develop policies to address them and report back to their stakeholders. These guidelines enable companies to assess, improve and report on their social, environmental and financial performance. The result is clearer accountability and enhanced brand.

Although these guidelines are intended primarily for businesses, many are also applicable to non-profit organizations, professional associations, and government offices (federal, provincial, and municipal).

CONTENT
The CBSR GoodCompany Guidelines for Corporate Social Performance are an easy-to-implement set of guidelines (specifically relevant to Canadian businesses) that provide a framework for implementing socially and environmentally responsible initiatives at companies. These guidelines are a “what to do” tool, it is neither a “how to” nor a formal audit tool - it will allow companies to see “at a glance” what initiatives are being pursued, and give businesses a sense of where additional effort is needed.

STEP BY STEP
Internalizing CSR Toolkit through a step by step process. This methodology for implementing corporate social responsibility at your company is designed to help you navigate through your options and provide you with a framework for implementing CSR at your organization.

Step 1: Gauge employee awareness and attitudes
A quick and simple-to-use e-survey to help you understand how your employees perceive CSR. In-depth, targeted interviews to further explore your employees’ attitudes toward CSR

Step 2: Identify your CSR assets and gaps
A CSR assessment that allows you to see “at a glance” the overall picture of your CSR initiatives. CBSR guidance and support throughout the assessment process

Step 3: Understand CSR best practices
An on-line library of Canadian best CSR practices. Focused research on CSR best practices, against which we can benchmark your company’s initiatives

Step 4: Determine your CSR approach
CBSR’s Blueprint CSR strategy to provide a structure for your CSR implementation. Facilitated CSR strategy development to tap directly into CBSR’s CSR expertise

Step 5: Communicate your CSR message
Sample CSR messages to kick-start your CSR communications strategy. Customized CSR messaging and communications strategy for your key stakeholder groups

Step 6: Empower your employees
Introductory CSR courses, tailored for audiences within your company (e.g. board, managers, or staff) CBSR’s Winning with Integrity workshop series or customized training, tailored to your company’s unique needs

Step 7: Put your CSR plan into action
Ad hoc CSR implementation support and account management for Sustaining/Founding Members

Step 8: Measure the business benefits of your CSR initiatives
Continuous improvement through tracking and measuring the business value CSR brings to your company

REFERENCE
www.cbsr.ca

GUIDELINES (14 pgs.)

Toolkit(2pgs) - http://cbsr.speedsite.ca/files/AdvisoryServices/InternalizingCSRToolkit.doc

http://cbsr.speedsite.ca/cbssupport/csrcontinuum.html
**SD Planner™**

Global Environmental Management Initiative - GEMI

**COUNTRY**
United States

**WHAT IT IS**
An automated self-assessment tool designed to help companies evaluate, plan for and integrate sustainable development into business processes.

**ORIGIN**
The Global Environmental Management Initiative (GEMI) is a nonprofit organization of leading companies dedicated to fostering environmental, health, and safety excellence and corporate citizenship worldwide. Through the collaborative efforts of its members, GEMI also promotes a worldwide business ethic for environmental, health and safety management, and sustainable development through example and leadership.

The experiences of GEMI member companies – and organizations worldwide – support the management approach that improving environmental performance and promoting corporate citizenship contribute to financial success and shareholder value. Since its inception as a non-profit organization in 1990, GEMI has provided a forum for leading companies to explore ways to improve their own performance, while aiding and inspiring other organizations to do the same. Today, GEMI has more than 40 member companies, representing more than 15 business sectors.

GEMI members have developed a dynamic portfolio of strategic tools and publications. This portfolio features both serial and stand-alone works, connected by their in-depth exploration of the pathways to business value. SD Planner™ is one of the GMI tools, developed in 2002.

**OBJECTIVE**
This detailed and comprehensive self-assessment tool is designed to help companies evaluate, plan for and integrate sustainable development into business processes. The tool addresses all three aspects of sustainable development: environmental impact, economic development, and social equity as well as activities that can be undertaken toward achieving those goals. Use of this tool will assist companies in identifying the critical sustainable development issues that are important to your business activities.

SD Planner™ is not a Code of Conduct for companies. It is not designed to suggest that companies should be actively engaged in all of the elements. It is a tool to be used internally within companies that recognize the importance of systematically considering environmental, economic development and social equity issues in a way that creates the most value for their business enterprise.

**CONTENT**
The architecture of SD Planner™ is based on a simple five-step planning process that correspond to the three major activities that the tool supports:

- **Screening** - This step is the starting point for any application, and enables you to identify your company context, key issues, and initial focus. This information will influence SD Planner™’s recommendations regarding potential goals and actions.

  - **Assessment** - Esta atividade é o centro da ferramenta e consiste em três etapas interativas:
    - **Self-assessment** enables you to apply a set of assessment templates that characterize your company’s SD status for specified elements.
    - **Goal-setting** enables you to set goals for specified SD elements.
    - **Gap Analysis** enables you, at any point during the assessment, to compare status against goals for specified SD elements, and thus identify gaps.

- **Action Planning** - This step proposes actions that will address the gaps identified above, and enables you to print action planning reports for specified SD elements.

**PASSO-A-PASSO**
SD Planner™ was developed as an automated tool. Concept and usage instructions can be found in the free-of-charge downloadable pdf: http://www.gemi.org/GEMISDPlannerOverview.pdf.

The following are potential steps to put SD Planner™ to use within your organization:
1. **Determine organizational scope for implementation of SD Planner™ (Whole company? Pilot business unit?)**
2. **Form interdisciplinary team to implement SD Planner™**
3. **Perform the self-assessment**
4. **Develop and implement an action plan to address any significant gaps found**

SD Planner™ is designed for use by a variety of different groups within a company/organization. It is optimized for use by a business unit, but it can also be used by a corporate group on behalf of the company as a whole.

Depending upon the composition of the designated working team and the functional groups that need to contribute, there are several possible methods of application:

- A primary information gatherer can be assigned to collect all of the responses necessary to complete the diagnostic and assessment portions of SD Planner™. This can be accomplished through a series of interviews with functional specialists.

- The primary user can generate paper copies of the assessment forms for the various SD elements, distribute these to appropriate specialists along with relevant guidance, and then compile the results.

- The primary user can invite the required specialists to complete the assessments electronically. This should be done on a single hardware platform, since SD Planner™ does not support integration of distributed data from multiple sources.

**REFERENCE**
GEMI tools and publications can be downloaded free of charge from the GEMI web site (www.gemi.org).

The GEMI Tools Catalog Resource Guide contains a brief overview of each of the GEMI tools, with a hyperlink to the pdf of each tool (www.gemi.org/GEMItoolscatalog-fall2005.pdf).
Global Citizenship 360 - GC 360

Future 500 - GC 360

COUNTRIES
United States and Japan

WHAT IT IS
It is a software process that enables better CSR strategy and performance, and helps create superior GRI and sustainability reports.

ORIGIN
In 1995 some of the world’s largest Fortune 500 companies formed The Future 500, a global network of corporate leaders devoted to developing companies that could sustain themselves, and the stakeholders they serve, well into the future. Mission: “To forge links between corporations and stakeholders to advance global citizenship”.

It is a non-profit network of major corporations and NGOs, providing innovative stakeholder engagement products (tools) and services to partner organizations.

CAP Alliance was formed in 2001 to offer a wider range of services to partners. This gives our partners access to expert counsel and assistance worldwide, through a network of over 10,000 professionals from ARCADIS, ERM, Ecos, and Det Norske Veritas. In 2002, CAP Alliance developed the first generation of CAP Gap Audit, now named Global Citizenship 360.

The Global Citizenship 360 is the product of a five-year Future 500 project supported by member companies and organizations such as Mitsubishi Electric, Nike, Det Norske Veritas, ERM, Pitney Bowes, WSP, Coca-Cola, The Bank of America and Coors Foundations, and various CSR standards organizations. The third version of software was launched in 2005.

OBJECTIVE
It is designed to improve accountability and, in the process, boost corporate adaptability and responsiveness to CSR standards organizations, and enhance the economic, social, and environmental “triple bottom line.” The software process helps embed CSR throughout the company, building internal support and creating real business value.

The Global Citizenship 360 enables companies to:

• Benchmark their performance against 21 standards at once
• Take advantage of a “GRI-Framework Inside” to efficiently progress GRI Reporting
• Organize the Annual Report to meet world class standards
• Identify Areas of Performance, as well as Risk to set priorities and align program agendas
• Issue customized responses to numerous standards groups and NGO questionnaires with the press of a button
• Benchmark against 20 Business Benefits to build your CSR business case
• Issue “To-Do” Lists by Business Areas to create linkage and change across business units

Highly efficient and cost-effective software process: Global Citizenship 360 process delivers a 360-degree report on your company’s performance against all major stakeholder standards – GRI, Dow Jones Sustainability, FTSE4Good, ICCR and others. The 360 process efficiently engages a cross-functional team to assess performance, prepare sustainability reports, develop strategy, and drive superior CSR performance.

Benefits for companies: “better Strategy, better Performance and better Reporting”.

CONTENT
GC360 organizes the bewildering array of CSR standards into a cohesive structure, driving clarity from chaos. It consolidates key elements of leading systems ranking corporate governance, accountability, quality, social responsibility, and environmental sustainability, including:

• New York Stock Exchange (NYSE) - Section 303A, corporate governance standards
• Goldman Sachs Corporate Governance Guidelines
• Malcolm Baldrige National Quality Award
• Global Reporting Initiative (GRI)
• Social Accountability 8000 (SA 8000)
• Boston College Center for Corporate Citizenship (BCCC)
• International Chamber of Commerce (ICC)
• BCSD and Corporate Governance Principles
• Dow Jones Sustainability Index
• FTSE4Good Index Series
• Global Sullivan Principles
• Domini Social Investments
• Calvert Group
• UN Global Compact
• Coalition of Environmentally Responsible Economies (CERES)
• Caux Roundtable
• Smart Growth Network
• Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
• Organization for Economic Cooperation and Development (OECD) Principles of Corporate Governance
• United Nations Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights
• ICCR Principles for Global Corporate Responsibility
• Other referred indexes such as AA1000, BITC, ICCR, Innovest

This is a single, easy-to-use tool. Via a 200-point survey, indicators of risk are flagged, performance is documented, and results are delivered in a concise high-impact executive report, an on-site presentation, and other customized formats.

PASSO-A-PASSO

A ferramenta pode ser usada em três formatos:
• Product Format – As companhias licenciam o produto e podem utilizá-lo.
• Service Format – Profissionais da Fortune 500 fazem análises e entregam os resultados.
• Peer Group Format – Várias companhias fazem o processo conjuntamente por meio do Conference Board, em Nova York.

O processo do GC 360 consiste de quatro componentes:
1. 360 Assessment and Planning Intensive brings together a team of key corporate staff, for a dynamic half-day 360 assessment and strategic planning session.
2. Executive Report Card provides a 360-degree summary of corporate performance, creating assessments and “to do” lists including:
   - CSR 360 – ranking on GRI, Global Compact, SA 8000, and others
   - SRI 360 – Dow Jones, FTSE4Good, Domini, ICCR
   - 20 Business Benefits – cost, risk, reputation, etc.
   - To-Do Lists by department, standard, and business objective

3. Data Repository stores and organizes data and files in any format, to document corporate performance against any of 200 criteria. Excel, Access, and Word files, as well as photos, illustrations, and websites can be quickly attached to enable better and easier reporting.

4. Report-Builder quickly and efficiently builds basic CSR and sustainability reports, compiling text and data to meet the standards of GRI, Dow Jones, and FTSE formats, as well as social investor inquiries.

RESULT

Currently used by over 75 auto, food, beverage, banking, energy, and electronics companies in 60 countries worldwide.

REFERENCE

www.future500.org
PDF - www.future500.org/documents/Future500_GC360_brochure.pdf
Institutionality and Transparency Indicators
Centro Mexicano para La Filantropía - CEMEFI
(Mexican Center for Philanthropy)

COUNTRY
Mexico

WHAT IT IS
Indicators for the Civil Society Organizations (CSOs) that are devoted to assistance, promotion and social development, and advocate for causes based on solidarity, philanthropy and social co-responsibility, so they can count on a guide to achieve high institutionality and transparency standards.

ORIGIN
The Mexican Center for Philanthropy (Centro Mexicano para la Filantropía — CEMEFI) is a non-profit civil association, unaffiliated with any political party, race or religion, founded in December 1988. As an authorized donor recipient, it is empowered by the Mexican Ministry of the Treasury (Secretaría de Hacienda y Crédito Público) to emit tax-deductible receipts. Its headquarters are located in Mexico City and its field of action encompasses the entire Mexican republic.

OBJECTIVE
These indicators meet an increasing demand from the society that the CSOs, who provide voluntary and non-profit services, be transparent in all their activities and have the necessary institutional tools to achieve this purpose. As suggested by the name, the indicators show the institutional development level. In addition, they enable the establishment of patterns to evaluate the institutions. The indicators also show the organization’s commitment to both the beneficiaries of their actions and the donors, thus increasing mutual trust and the society’s recognition of it as a civil society organization of public interest.

CONTENT
The Institutionality and Transparency Indicators have been developed from objective, non controversial, and easy-to-check references that show the level of formality of the organization and the tools used to ensure transparency in the activities performed to the benefit of the community. They are a platform to develop a continuous improvement process in all areas involving the organization’s operations.

The indicators allow any person, company or institution to become acquainted with the characteristics of a non-profit private organization. They can be summed up in the following questions:

- Is the organization duly organized and operating?
- Does it comply with minimum legal requirements?
- Does it have mission, vision and objectives guiding its service?
- Does it provide professional guarantee?
- Does it have institutional structure and mechanisms to ensure transparency and accountability?

STEP BY STEP
It is an assured, accredited and voluntary institutional process of self-assessment and self-regulation. The process can also be carried out by Cemefi.

The ten indicators are divided into three institutionality levels:

Basic Level — Comprises the first five indicators. This level emphasizes the legal and fiscal aspects, the clarity of the institution’s mission as well as the management’s transparency. Without these indicators, transparency can hardly be guaranteed.
Institutionality and Transparency Indicators

**LEVELS**

- **BASIC**
  - Constitutive act registered with a notary public (1)
  - SHCP authorization to receive donations (2)
  - Mission, vision and objectives (3)
  - Verifiable address and telephone (4)
  - Annual activities report and audited financial statements (5)
- **AVERAGE**
  - Board of Directors or Trustees, the majority of whose members are distinct from the professional team (6)
  - Professional personnel contracted and on payroll (7)
  - Volunteers working in the programs (8)
  - More than three years of operation (9)
  - More than three distinct income sources (10)
- **EXCELLENT**

**Average Level** – Corresponds to the institutions that have met between six and eight indicators. They are considered as having good management, a staff working on well defined programs, and indicators to achieve successful CSO management.

**Excellent Level** – Those institutions that have met nine or ten indicators. At this level, they are considered as having good institutional development. Each organization will establish its own institutionality level according to its capacity (see figure). In case it does not meet any indicator, it is suggested that the organization investigate the reasons or causes preventing a better performance and implement actions aimed at achieving it.

**TIP**

Socially responsible value chain

**WHAT IT IS**

A quick corporate social responsibility self-assessment for small and medium-sized companies taking part in the CSR value chain.

**OBJECTIVES**

This diagnostic tool, to be used internally, allows for the establishment of a corporate social responsibility criterion. The questions address fundamental aspects for the assessment of the company’s social impact.

**CONTENT**

This process seeks to promote and support the adoption of social responsibility among small and medium-sized companies, besides recognizing those able to integrate and support a socially responsible value chain with their suppliers, customers, representatives and distributors, complying with the standards proposed in four areas of corporate social responsibility:

* Quality of life at work,
* Corporate ethics,
* Company’s engagement with the community,
* Environment concern and conservation.

It also seeks to support the adoption of corporate social responsibility principles through business competitiveness under universal principles of ethics and integrity throughout the value chain with small and medium-sized suppliers, distributors and customers.

**REFERENCE**

Not available.

**REFERENCE**

[www.cemefi.org](http://www.cemefi.org)
[www.cemefi.org/content/view/30/40/]

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BASiC  
AVerAGE  
EXCELLENT
6.1 Introduction
6.2 Austria - IMS do ECO4WARD
6.3 Belgium - Albatroz BUSINESS & SOCIETY BELGIUM
6.4 Finland - Vastuu Askeleita FINNISH BUSINESS & SOCIETY
6.5 France - CSR Europe – ALLIANCES Guide
6.6 France - CJD Guide de la Performance Global
6.7 United Kingdom - BITC CR Index
6.8 France - CJDES Bilan Sociétal
6.9 United Kingdom - Sigma Project BRITISH STANDARDS, FORUM FOR THE FUTURE e ACCOUNTABILITY
6.10 The Netherlands - G3 GRI
6.11 United Kingdom - SBC Small Business Journey e Better Business Journey
6.12 United Kingdom - ACCOUNTABILITY Responsible Competitiveness Index
6.13 Sweden - THE NATURAL STEP WHH
6.14 Germany, Italy, Belgium and Portugal - COSORE CSR Toolkit for SME COSORE
Convergence between two agendas: Sustainable Development and Business Strategy

Criteria adopted by researches, such as the work carried out by FBDS – Fundação Brasileira para o Desenvolvimento Sustentável, can help organizations find their way through the sustainability challenge.

This research aimed at analyzing the commitment to sustainability of major companies operating in Brazil in the pulp and paper, food and beverages and electric power (2005), and financial and sugar cane/ethanol (2007) sectors.

The issues assessed in the organizations concern mainly:

- Motivation: concept awareness, vulnerability to external pressures (NGOs, customers, regulators, capital markets), internal value drivers, strengths and weaknesses, and information systems;
- Implementation capacity: leadership, organizational structure and culture, areas of greater or smaller resistance, and level of predominance of financial aspects in decision-making processes;
- Alignment of the organization: vision, impact and effort of the organization’s several areas regarding sustainability and the identification of a potential hard core;
- Use of management tools: inclusion of sustainability in management tools, especially in strategy and its consequences;
- Identification of peculiarities in the business sector: influence of sectoral and national characteristics in the sustainability design.

In order to identify drivers of success and main constraints on the adoption of policies and practices compatible with a sustainable development model, it is necessary to:

- Evaluate differences in perceptions, attitudes and behavior patterns among managers responsible for sustainability and other corporate policy makers;
- Identify potential industry-specific differences regarding values, restrictions, etc.;
- Evaluate pressures faced by companies to meet internal demands (such as management changes) or external demands (such as shareholders’ return expectations);
- Evaluate whether companies use warning systems or other diagnostic tools to measure social and environmental expectations.

Although a considerable corporate engagement with corporate social responsibility-related themes can be noticed in Brazil, companies may not be addressing relevant issues in their strategic process, thus preventing the sustainability challenges from being adequately assessed, prioritized and internally aligned with the companies’ strategic objectives. This way, unfavorable results can occur or opportunities can be missed both for the business and the society.

### The 31 sustainability challenges are:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Commitment to values and principles</td>
<td>86.7%</td>
</tr>
<tr>
<td>2</td>
<td>Corporate governance</td>
<td>80.0%</td>
</tr>
<tr>
<td>3</td>
<td>Stress</td>
<td>76.7%</td>
</tr>
<tr>
<td>4</td>
<td>Energy</td>
<td>73.8%</td>
</tr>
<tr>
<td>5</td>
<td>Ethics and sustainability in the production chain</td>
<td>73.8%</td>
</tr>
<tr>
<td>6</td>
<td>Quality of basic education</td>
<td>70.0%</td>
</tr>
<tr>
<td>7</td>
<td>Corruption and lack of ethics</td>
<td>66.7%</td>
</tr>
<tr>
<td>8</td>
<td>Local economic impact</td>
<td>66.7%</td>
</tr>
<tr>
<td>9</td>
<td>Water</td>
<td>66.3%</td>
</tr>
<tr>
<td>10</td>
<td>Employability</td>
<td>66.3%</td>
</tr>
<tr>
<td>11</td>
<td>Social capital</td>
<td>66.3%</td>
</tr>
<tr>
<td>12</td>
<td>Education for sustainability</td>
<td>66.3%</td>
</tr>
<tr>
<td>13</td>
<td>Ecosystems and ecosystem services balance</td>
<td>60.0%</td>
</tr>
<tr>
<td>14</td>
<td>Unfair competition</td>
<td>60.0%</td>
</tr>
<tr>
<td>15</td>
<td>Precariousness of work</td>
<td>60.0%</td>
</tr>
<tr>
<td>16</td>
<td>Citizenship</td>
<td>60.0%</td>
</tr>
<tr>
<td>17</td>
<td>Climate change</td>
<td>56.7%</td>
</tr>
<tr>
<td>18</td>
<td>Employment and income opportunity</td>
<td>56.7%</td>
</tr>
<tr>
<td>19</td>
<td>Political support and public policy</td>
<td>53.3%</td>
</tr>
<tr>
<td>20</td>
<td>Marketing for sustainability</td>
<td>53.3%</td>
</tr>
<tr>
<td>21</td>
<td>Gender inequality</td>
<td>50.0%</td>
</tr>
<tr>
<td>22</td>
<td>Conscious consumption</td>
<td>46.7%</td>
</tr>
<tr>
<td>23</td>
<td>Racial discrimination and inequality</td>
<td>46.7%</td>
</tr>
<tr>
<td>24</td>
<td>Precariousness of infrastructure systems</td>
<td>43.3%</td>
</tr>
<tr>
<td>25</td>
<td>Income distribution</td>
<td>40.0%</td>
</tr>
<tr>
<td>26</td>
<td>Population aging</td>
<td>33.3%</td>
</tr>
<tr>
<td>27</td>
<td>Public health</td>
<td>26.7%</td>
</tr>
<tr>
<td>28</td>
<td>Violence and traffic</td>
<td>23.3%</td>
</tr>
<tr>
<td>29</td>
<td>Housing supply and conditions</td>
<td>20.0%</td>
</tr>
<tr>
<td>30</td>
<td>Pandemics</td>
<td>13.3%</td>
</tr>
<tr>
<td>31</td>
<td>Food products</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

Are companies aware of the negative impacts? The business impact on the challenges has shown that the strategy planners see them as positive (70.4% of them). A few (3.8%) consider the impacts as negative. This also occurs with more evident direct impacts. The results show that companies regard themselves as not negatively impacting on sustainability. If a critical segment of the business sector does not regard its impacts on sustainability as negative, from which sectors or institutions can we expect effective measures to tackle so many traditional challenges to Brazil’s development?

Responsible competitiveness is still taking its first steps and progress will depend on a major effort to bring the results demanded by mankind...

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Texts extracted from the following researches:

1. Fundação Brasileira para o Desenvolvimento Sustentável research carried out in 2007 entitled The Brazilian Business Case for Corporate Sustainability (partnership between FBDS and the Forum for Corporate Sustainability Management at the Swiss institute IMD (CSM / IMD)). www.fbsd.org.br

2. Fundação Dom Cabral research carried out in 2007 (Claudio Boechat and Roberta Paro) entitled Desafios para a sustentabilidade e o planejamento estratégico das empresas no Brasil (Sustainability challenges and strategic planning of companies in Brazil). http://ci.fdc.org.br/anexo/artigo/Dossiê%20artigo%204%20%20A11N63NO10.pdf
Integrated Management Systems - IMS

**COUNTRY**

Austria

**WHAT IT IS**


**ORIGIN**

The Integrated Management Systems (IMS) was launched in Austria between April 2001 and October 2002 with the financial support of government agencies. The IMS initiative’s coordinator is Eco4ward, a committee of CSR and sustainable development experts based in Graz.

**OBJECTIVE**

The IMS integrates different management systems regarding health and safety, environmental management, and quality.

Companies willing to implement this tool have access to the following standards:

- Health and safety: ASchG, OHSAS 18001, SCC.
- Environmental management: EMAS, ISO 14001.

**STEP BY STEP**

The initiative is traditionally organized in five stages: Start, Plan, Do, Check, Act.

For each stage, the IMS tool provides tips, and a check-list.

**Start**

Diagnosis

[www.iman.at/checklisten/Checkliste01_Kuzanalyse.pdf](http://www.iman.at/checklisten/Checkliste01_Kuzanalyse.pdf)

**Plan**

Company policy

[www.iman.at/checklisten/Checkliste02_Unternehmenspolitik.pdf](http://www.iman.at/checklisten/Checkliste02_Unternehmenspolitik.pdf)

**Analysis**

[www.iman.at/checklisten/Checkliste03_Ist-Analyse.pdf](http://www.iman.at/checklisten/Checkliste03_Ist-Analyse.pdf)

**Do**

[www.iman.at/checklisten/Checkliste05_Systemaufbau.pdf](http://www.iman.at/checklisten/Checkliste05_Systemaufbau.pdf)

**Check**

Auditoria

[www.iman.at/checklisten/Checkliste06_Internes_Audit.pdf](http://www.iman.at/checklisten/Checkliste06_Internes_Audit.pdf)

**Act**

Revisão da gestão

[www.iman.at/checklisten/Checkliste07_Mangement_Review.pdf](http://www.iman.at/checklisten/Checkliste07_Mangement_Review.pdf)

**REFERÊNCIAS**

[www.iman.at](http://www.iman.at)
[http://62.116.3.110/ims](http://62.116.3.110/ims)

Figura [www.quality.co.uk](http://www.quality.co.uk)
Albatros

Business & Society Belgium

COUNTRY
Belgium

WHAT IT IS
A questionnaire for the self-assessment of companies’ overall management and social responsibility.

ORIGIN
The tool was developed by Business & Society, a Belgium business network aimed at mobilizing the private sector, encouraging the implementation of initiatives to generate employment, contributing to minorities’ inclusion in the labor market, and encouraging experiences sharing.

In 1994, several European companies drafted, under Jacques Delors leadership, the European Declaration of Businesses Against Social Exclusion. A year later, as an answer to the dramatic social situation in Europe (17 million unemployed, 53 million people living under the poverty line, and 5 million homeless), the European Business Network for Social Cohesion (EBNSC) was founded, a virtual network aimed at sharing initiatives and research on the Internet, based in Belgium.

In 1998 Belgium companies officially launched the Belgium Network for Social Cohesion (BENSC).

In 2000, the EBNSC organized the first European convention on corporate social responsibility and changed its name to CSR Europe. In 2001, the Belgium Network (BENSC) became Business & Society Belgium.

In 2006, CSR Europe consisted of 22 organizations from 20 countries and represented 1,812 companies, of which 45 were Business & Society Belgium members.

OBJECTIVE
By answering a questionnaire, companies of any size or sector can assess and report on their social performance. The questions address the company’s management, its internal and external social policy, and its economic and environmental practices.

CONTENT
Albatros is a pragmatic tool, a questionnaire consisting of closed questions about the three pillars of SD. The program generates a report including qualitative information on the company’s strengths and weaknesses in different management areas. This report provides specific advice on actions the company can undertake to improve its performance/accountability.

STEP BY STEP
The interactive software is available in CD-ROM for companies of any.

The user must answer each question on the company’s overall management and its social, economic and environmental policies with a “yes”, “no”, “not applicable” or check the correct answers.

RESULTS
Isringhausen sprl, from Lokeren, Isringhausen GmbH & Co KG’s affiliate, is one of the first companies to assess its Albatros performance. It is a manufacturer of seats for utility vehicles in Lokeren. It employs 98 people.

REFERENCE
www.businessandsociety.be

COLLABORATION
Business & Society Belgium
Ariane Molderez
ariane.molderez@businessandsociety.be
**Vastuun Askeleita**

**Finnish Business & Society**

Focused on responsible human resources policies and dialogue with stakeholders, the toolkit provides the best current practices, but also challenges its users to develop new ways to improve their practices.

**WHAT IT IS**

It is a toolkit that helps companies to develop corporate social responsibility.

**ORIGIN**

The first Finish CSR tool, *Vastuun Askeleita* was developed in 2002 by the Finnish Business & Society, a network of organizations and companies aimed at promoting CSR in Finland. At that time, the tool was tested by two companies, and is currently distributed by the Finnish Business & Society.

**OBJECTIVE**

The CSR *Vastuun Askeleita* guide is an educational tool aimed at monitoring the companies’ corporate social responsibility initiatives. Focused on responsible human resources policies and dialogue with stakeholders, the toolkit provides the best current practices, but also challenges its users to develop new ways to improve their practices.

**CONTENT**

The guide provides information and best practices, an exercise book “step by step, domain by domain”, and a space for answers to be filled out so that companies can improve in a structured manner in the Corporate Social Responsibility field, more specifically in responsible human resources policies and dialogue with stakeholders.

- Responsible human resources policies:
  1. Recruitment
  2. Working conditions
  3. Workability
  4. Support to capacity building
  5. Awards
  6. Retirement, outplacement and replacement

**STEP BY STEP**

The guide describes how any company can implement the guidelines/practices in their management system. An online version allows the company to answer the questions and do the 16 practical exercises electronically. With a login and password, data can be saved, filled out, corrected, printed and confidentially stored in the database.

The website provides a database created from the answers given by companies to the *Vastuun Askeleita* guide.

**RESULTS**

At the beginning of the work, the tool was thoroughly tested and the best practices were documented.

**REFERENCE**

[www.fibsry.fi](http://www.fibsry.fi)

**COLLABORATION**

Susanna Monni,
Finnish Business & Society (Finland)
CSR Europe–Alliances Guide

CSR Alliances RSE

**COUNTRY**

France

**WHAT IT IS**

A French adaptation of a tool developed by a European institution aimed at small and medium-sized enterprises willing to assess and strengthen their corporate social responsibility.

**ORIGIN**

The Alliances association was created by three businessmen (Jean Pedra Guillon, Bruno Libert and Hervé Seriey) in 1994 with the financial support of the private sector (members and partners), collective bodies and French public agencies. Its objective is to monitor companies so they can improve their social responsibility and environmental performance, deepening their knowledge of the theme, developing their social, economic and environmental dimensions, and improving their competitiveness.

The CSR Europe – Alliances Guide was developed from a CSR guide developed by the CSR Europe¹, translated into French and adapted to the SMEs in 2002 by Alliances. After being tested in nine companies in the North of France, a program was implemented to monitor the SMEs in the region. The program was successful and, in 2004, corporate responsibility content was developed by partner institutions with expertise in the theme.

¹ CSR Europe is a business network of socially responsible European companies comprising 60 major multinational companies. The network developed a CSR/SD self-assessment tool called SME Key for small and medium-sized companies willing to implement or improve this issue in their management. The tool is not available online at the moment.

**OBJECTIVE**

The CSR Europe Guide does not intend to be a static assessment tool, but rather a tool for assessment, working and encouragement to action. This tool:

- Helps companies to perform their self-assessment regarding Corporate Social Responsibility engagement;
- Monitors companies in their SR strategy development;
- Monitors the SR strategy implementation through a dynamic progress initiative (capacity building, assessment, action).

**CONTENT**

Voluntary self-assessment and monitoring initiative with 300 questions, whose correlation with the Global Compact is indicated. It is divided into four sections, as follows:

- **Section I** – Overall presentation and company’s economic impact
- **Section II** – Company’s vocation and values
- **Section III** – Company’s social impact
  - Stakeholder: workforce
  - Stakeholder: clients
  - Stakeholder: shareholders
  - Stakeholder: suppliers
- **Section IV** – Company’s environmental impact
  - Stakeholder: business environment
  - Stakeholder: ecological environment

**STEP BY STEP**

Filling out the guide is not an end in itself. What matters is the quality of the interviews.

A good diagnosis can be made based simply on mutual agreements between Alliances and the company willing to commit itself.

All interviews are made between Alliances and the company leader.

Alliances’ commitments are:

1. Results are confidential and remain as the company’s proprietary right.
2. Alliances will carry out a visit to demonstrate commitment.
3. The diagnosis is free of charge (under certain conditions).

The diagnosed company’s commitments are:

1. The diagnosis is made with the company leader (or a board member).
2. The result will be presented to the board.
3. The leader commits to developing an action plan.

**REFERÊNCIAS**

[www.alliances-asso.org](http://www.alliances-asso.org)
[www.alliances-asso.org/htm/rse/accompagnement2.htm]
COUNTRY
France

WHAT IT IS
The Global Performance Guide is a 100-question questionnaire aimed at making a diagnosis and establishing an action plan to make the company more competitive and humane, while having as its mission the willingness to improve both the global and the company’s performance.

ORIGIN
It is the result of over two years of work carried out by business leaders, experts in HR, environment, corporate social responsibility, among other issues, to define Global Performance, which is characterized by the balance among economic, social and environmental factors. The tool was developed by the Centre de Dirigeants d’Entreprises (CJD), an organization founded in France in 1938 by a group of young businesspeople who wanted to reestablish the employers’ role and place the economy at mankind’s service.

OBJECTIVE
This guide intends to help business leaders adopt the logic of global performance that includes economic, social and environmental factors. It aims to engage the company in ethical relations with its several stakeholders – clients, employees, suppliers, shareholders and civil society, thus contributing to a long-term vision less focused on short-term profits.

CONTENT
The guide consists of 100 questions and encourages a strategic reflection based on the company’s self-assessment, which allows for defining aspects to be improved and establishing an action plan adapted to the organization’s needs. A best practices database complements the guide, which has the following structure:

Global Performance Guide Structure:
1. CJD presentation
2. Foreword – global performance, a growing movement
3. Introduction – A path towards global performance
4. Diagnosis and piloting – How to benefit from this guide?
5. Successful experiences.
6. Governance principles (providing action with coherence and meaning).
7. Economic performance (3 “Ps” – Profit, People, Planet).
8. Stakeholders:
   • Clients
   • Suppliers
   • Workforce
   • Natural environment
   • Business environment
   • Shareholders or associates
9. Synthesis
10. Glossary
12. Bibliography
13. Useful links

STEP BY STEP
The guide’s steps are preparing core questions for a good diagnosis, identifying areas for improvement, defining an action plan adapted to the company’s needs, including management methods, daily assessment and monitoring tools.

RESULTS
Being certain that a global performance is a determining factor in corporate competitiveness, value and perpetuity, CJD promotes the use of the guide, which has already been tested in around 400 companies in 2002 and 2003. The tool was revised in 2004.

REFERENCE
www.cjd.net
CR INDEX
Business in the Community - BITC

By publicly completing the Index, companies demonstrate a desire to lead developments in reporting and benchmarking, and a commitment to performance improvement.

[Objetivo]

COUNTRY
United Kingdom

WHAT IT IS
The Index is a benchmarking tool that assesses and compares responsible business strategy, the integration of this strategy into the business, and the organization’s performance in a range of social and environmental impact areas.

ORIGIN
The CR Index was developed by the Business in the Community (BITC), founded in 1982 as a business-led initiative developed through a series of consultations and workshops involving more than 80 companies and a number of other key stakeholders. Following the launch of the first Index results in March 2003, the consultation process continued to 2004, eventually engaging representatives from more than 110 companies. Further modifications were made to the survey to ensure its relevance and usefulness to the business community, but since 2005 the survey has remained unchanged to allow for year-on-year comparison.

OBJECTIVE
The CR Index helps companies to integrate and improve responsibility throughout their operations by providing a systematic approach to managing, measuring and reporting on business impacts on society and on the environment.

The Index offers a structured framework against which to test the measurement and reporting of their responsible business activities. It also offers an opportunity to compare their responsible business management and performance against others and provides feedback for improvement. By publicly completing the Index, companies demonstrate a desire to lead developments in reporting and benchmarking, and a commitment to performance improvement.

CONTENT
The survey has questions on the company’s impact resulting from its operations, products and services, and interaction with key stakeholders in four areas: community, environment, market and workplace.

STEP BY STEP
From completing the survey to receiving their feedback reports, CR Index participants go through a process of internal gap analysis and action planning for continuous improvement.

1. The survey is launched online in September.
2. Companies have approximately two months to complete the survey and submissions are only accepted if they have been signed off by a company’s CEO or relevant Board member.
3. Once received, the Index team at Business in the Community reviews the responses against the supporting evidence provided, company reports plus other information available in the public domain, and obtains additional information or clarification from the company, if needed.
4. Submissions are scored and the data is prepared for feedback reports, issued to companies by the end of March. Feedback reports provide detailed gap analysis, benchmarking, and highlighting strengths and areas for improvement.
5. The CR Index results are published in May in The Sunday Times’ Companies That Count supplement, along with examples of best practice and a debate on future challenges. Further analysis is provided in a separate executive summary, which is published by Business in the Community in May.

REFERENCE
www.bitc.org.uk
COUNTRY
France

WHAT IT IS
A business management assessment tool and, mainly, a tool for accountability and communication to stakeholders of the company’s conduct regarding social responsibility.

ORIGIN
The Bilan Sociétal (social report) was developed in 1996 by the Centre des Jeunes Dirigeants et Acteurs de L’Economie Sociale – CJDES, a network of young businesspeople that encourages reflection and experiences sharing among its members so they perform their activities more effectively and bring about changes. The tool was tested in around 100 enterprises in Europe, 60 of which were in France.

OBJECTIVE
The tool’s objective is to assess the company under three dimensions: economic performance, social effectiveness and environmental impact. The tool also pursues five complementary objectives:

• Supporting dialogue with both internal and external stakeholders (mobilization).
• Being helpful to for decision-making and management (governance and strategy).
• Reporting on its actions (transparency).
• Allowing for a continuous improvement process (progress).
• Valuing business practices (communication).

The Bilan Sociétal is not only an external communication tool, but also an information tool to help decision-making, improving effectiveness and making the company’s objectives clear (issues not included in the company’s communication with society in their financial statements). The idea is to achieve global transparency, which should be considered indispensable to any strategic decision. It is an investigation tool useful in assessing behavior against business values.

CONTENT
The assessment is made through a questionnaire covering economic, social and environmental issues:

The questionnaire comprises nine main items:
1. Activity, services and relationship with customers
2. Economic management
3. Anticipation, innovation, perspectives
4. Work and production organization
5. Human resources management
6. Internal actors – company citizens
7. Human, social and institutional environment
8. Bio-physical environment
9. Values, ethics

The issues are addressed under 15 criteria:
1. Activity
2. Internal citizenship
3. Local and economic citizenship
4. Competitiveness
5. Friendliness
6. Creativity and aesthetics
7. Efficacy and efficiency
8. Employability and capacity building
9. Ethics
10. Respect for the environment
11. Satisfaction
12. Health and safety
13. Solidarity
14. Social and collective usefulness
15. Sustainability

The crossed evaluation method performs a qualitative evaluation of an action or group of actions, in which the submission of the same questionnaire to different groups of stakeholders, who are likely to
have different views, provide individual answers according to the theme they are involved in. The different views can provide either a consensus or the identification of discrepancies.

Applied to the Bilan Sociétal, this method contributes to creating new governance models. The disclosure of objective information helps to balance the relations among stakeholders, thus leading to a more responsible management.

A “business analyst”, accredited by CJDES, applies the questionnaire, analyses the overall results and makes a business management diagnosis.

The stakeholders’ answers are gathered and analyzed in a software.

**STEP BY STEP**

The social report is developed according to the characteristics of each company.

The method used consists of two stages:

- 450 questions divided into broad themes;
- Company’s overall analysis.

CJDES promotes the Bilan Sociétal in the companies and monitors the work.

The CJDES’ assessment has eight stages for companies willing to make their Bilan Sociétal:

3. Assessment with shareholder/owner in order to reach a consensus on the diagnosis among the stakeholders.
4. Agreement among the parties on changes to be implemented: priorities, means, deadlines, and monitoring control tables.
5. Publication of the initiative and the monitoring table.
6. Development of a new thorough or partial report to assess the structure and results achieved along time.

The assessment is performed by business analysts who develop the Bilan Sociétal application model. After contacting the stakeholders and informing them about the questionnaire, the assessment and feedback to shareholders/owners usually take from three weeks to two months.

**REFERENCE**

www.cjdes.org
www.cjdes.org/426-Le_Bilan_societal
Sigma Project – Sustainability Integrated Guidelines for Management

British Standards Institution
Forum For the Future
AccountAbility

COUNTRY
United Kingdom

WHAT IT IS
A set of guidelines and tools for companies willing to effectively contribute to sustainable development.

ORIGIN
The SIGMA Project was launched in 1999 with the support of the UK Department of Trade and Industry. It is a partnership between the British Standards Institution (BSI)1, Forum for the Future2 and Accountability3. It was revised in 2003.

OBJECTIVE
It aims at helping organizations to effectively meet challenges posed by social, environmental and economic dilemmas, threats and opportunities. The SIGMA Guidelines provide flexible and workable solutions that can be implemented across a wide range of sectors, types of organization and functions.

Integration and performance improvement are key words in the Sigma Project. It gathers social, environmental and economic themes, while encouraging companies to integrate these areas into their organizational management. It is the synthesis of several CSR models and tools. It can be used alone and also enables compatibility with existing systems, thus helping organizations to build on what they already have in place according to their own needs.

The Guidelines do not prescribe levels of performance, but help organizations on how they should set performance targets, which are consistent with the operating principles they have adopted: measure their performance against these targets over time and report against them – taking action to remedy any situations where the level or speed of performance improvement is insufficient to achieve the targets that have been set.

The SIGMA Guidelines can be used with standards and guidelines that prescribe levels of performance, or to assist benchmarking of performance. This definition is based on the AA1000 Assurance Standard.

CONTENT
The Guidelines consist of:

I. SIGMA Guiding Principles – that help organizations to understand sustainability and their contribution to it. Offer a framework to help them develop their own principles. It consists of two core elements:

- Holistic management of five different types of capital* (manufactured, financial, human, social and natural) that reflect organization’s overall impacts and wealth.
- The exercise of accountability, by being transparent and responsive to stakeholders and complying with relevant rules and standards.

II. SIGMA Management Framework – Integrates sustainability issues into core processes and mainstream decision-making. It is a cycle of four flexible implementation phases (with sub-phases) - leadership and vision; planning; delivery; and review, feedback and reporting - that allow an organization to develop, plan, deliver, monitor and report on its sustainable development strategy and performance. The Framework explains clearly and concisely necessary activities, the anticipated outcomes and lists further resources. It also helps an organization how to build on what it already has in place.

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1 A leading standards organization, advocates the adoption of better management practices, risks reduction and implementation of international standards as a means of distributing income.

2 A leading sustainability charity and think-tank; founded in the United Kingdom in 1996, it develops actions aimed at accelerating the transition to a sustainable way of life based on digital solutions. It works in partnership with over 150 organizations, governments and universities to diffuse and share the SD concept and practices.

3 International professional body for accountability. Mission: to promote SD-related accountability. It provides tools and standards based on AA1000, promotes professional development and certification standards, and has an innovative governance model.
III. SIGMA Toolkit – advice and guidance on specific management challenges. Provides a range of practical tools and guides that organizations can use to help them improve their management of sustainability issues and their overall performance – e.g: a business case tool, a performance review tool, a process for stakeholder engagement, and a sustainability scorecard. Some of the tools were developed specifically for SIGMA and others, such as GRI and environmental accounting, have been taken from external sources, as they present the best current approach.

SIGMA links into existing management systems and frameworks such as ISO 14001, Investors in People, the ISO 9000 series, OHSAS 18001 and AA1000 Framework, thus enabling compatibility with existing systems and helping organizations to build on what they already have in place.

In addition to its main documents, the project presents results from research (IV. R&D Streams) and experiences (V. Practical Experience).

STEP BY STEP

The SIGMA Guidelines, in particular the Executive Summary, are aimed at anyone interested in the contribution organizations can make to sustainable development. The SIGMA Management Framework and SIGMA Toolkit, focused on practical details, are of particular value to those managers and personnel who are responsible for directing, planning or implementing sustainable approaches in their organizations.

I. The SIGMA Guidelines

Organizations may adopt the SIGMA Guiding Principles, use them to develop or benchmark their own principles, or work with other compatible principles for sustainable development.

II. The SIGMA Management Framework

May be used in whole or in part:

• to integrate existing management systems, building on existing approaches.
• to establish a stand-alone management system.
• as guidance to deepen and broaden existing management practices without the formal structure of a management system.

As quatro fases:

a. Leadership and Vision - Define the vision for sustainability and ensure leadership support for it.

b. Planning - Decide what needs to be done to improve performance.

c. Delivery - Improve performance.

d. Monitor, Review and Report - Check that performance is improving and communicate the results.

* Sigma builds on the triple bottom line (TBL) concept, placing the five types of capital under an umbrella of organizational accountability. By utilizing the five capitals model it is possible to overcome some of the weaknesses of the triple bottom line concept, for example, the temptation to trade off social, economic and environmental factors as if they were equal (when environmental integrity is actually a prerequisite for society and the economy) and can be treated in isolation from one another (when, in fact, they are very often interrelated). The two approaches – the triple bottom line and the five capitals model – are complementary, with manufactured and financial capital being reflected in the economic bottom line, human and social capital representing the social bottom line, and natural capital paralleling the environmental aspect of the triple bottom line. Indeed the triple bottom line approach has been used in other parts of the SIGMA Guidelines and in many of the SIGMA tools.*
Each phase and its sub-phases are described in detailed tables that contain:

- Key questions to focus on
- A cross-check of how intended activities link to the organization’s chosen principles
- Who needs to be involved
- What the key activities are
- When they need to be implemented
- A list of helpful resources
- Expected outcomes and outputs
- Key implementation issues that the organization may need to be aware of.

The phases are based on a management process, and do not include expected levels of performance. However, improved performance is the main aim of the SIGMA Guidelines and organizations should set ambitious and achievable goals that can be delivered using the SIGMA Management Framework.

III. The SIGMA Toolkit

Consists of 13 supporting tools, guides and case studies. Brief summary of each of the tools and what they can achieve for an organization:

1. AA1000 Assurance Standard: is a generally applicable standard for assessing, attesting to, and strengthening the credibility and quality of organizations’ sustainability reporting, and their underlying processes, systems and competencies. It provides guidance on key elements of the assurance process. This tool provides a simple summary of the standard. It includes an explanation of the principles to be applied in an assurance process undertaken using the AA1000 Assurance Standard: materiality, completeness and responsiveness.

2. Business Case tool: provides a simple process to develop an organization-specific case for addressing sustainability. By taking a pragmatic approach which recognizes the language and core priorities of the organization, users can build a strong business case that incorporates real-life examples. This will highlight what sustainability means to the organization and how improved sustainability performance can maximize the opportunities this may bring and minimize the potential risks.

3. Compatibility Tool: provides organizations with an understanding of how their existing management systems and approaches map on to the SIGMA Management Framework. It helps organizations to achieve the desired outcomes and outputs envisaged in the Management Framework without duplicating effort. The tool maps SIGMA against EFQM, AA1000 Framework, Investors in People, EMAS, ISO14001, ISO14031, OHSAS 18001, ISO 9000, SA8000, AS/NZS 4581, The Natural Step (TNS), The UN Global Compact and the Charter Mark.

4. Environmental Accounting Tool: This tool is an introduction to environmental accounting aimed at helping organizations to calculate environment-related externalities.

5. Global Reporting Initiative Sustainability Reporting Tool: This guide, based on the Global Reporting Initiative Guidelines, is aimed at companies of all sizes and helps in the Corporate Social Responsibility reporting. It provides principles and indicators of economic, environmental and social performance. Both the principles and the indicators have been developed over the past five years, involving input from a wide range of stakeholders around the world.

6. Marketing and Sustainability Tool: suggests some initial steps in developing a sustainability marketing plan and sets the basis for cooperation among marketing and sustainability experts. It provides a number of practical steps towards identifying key opportunities, through understanding customers and the market, assessing the sustainability attributes of the organization’s products and services and determining which sustainability issues have the greatest potential for use in a marketing campaign.

7. Risk, Opportunity and Sustainability Guide: provides basic information and simple tools to enable organizations to improve their understanding and management of sustainability risks and opportunities. By providing an explanation of social, environmental and economic risks from stakeholder perspectives, organizations can build an understanding of a fuller range of threats to organizational success, which includes not fully realizing opportunities. A generic risk and opportunity process, supported by tools and assessment guidance enables users to enhance their existing processes or develop new ones.

8. Guidelines and Standards relevant to sustainable development: This guide reviews 20 standards and guidelines relevant to sustainable development. It includes the UN Global Compact, EMAS, The Natural Step, So-

10. Stakeholder Engagement: provides organizations with two ways of improving their stakeholder engagement practices. The first approach is based on the AA1000 process that incorporates stakeholder engagement as a core element of the process of managing, measuring and communicating performance. This process helps an organization capture different stakeholder aspirations and needs, and balance and manage the interlinked elements of social, environmental and economic performance. The second approach is a set of tools that help organizations explain and evaluate their stakeholder engagement. The first tool looks at the drivers of engagement and the second provides a set of key questions on who, what, where, when and how of engagement and the best techniques to use.

11. Guide to Sustainability issues: lists and briefly explains a wide range of sustainability issues that organizations need to be aware of.

12. Sustainability Accounting Guide: helps organizations account for organizational sustainability performance. Recognizing that this is at an embryonic area, and that there are many inadequacies in current financial accounting, the guide explores the latest sustainability thinking around resource flows and assets and liabilities in the context of Generally Accepted Accounting Practice (GAAP). Different ways of bringing the information together are presented to help organizations understand options for new accounting frameworks. Users that are already implementing changes in their accounting practice, data sources for environmental coefficients and values are provided.

13. Sustainability Scorecard: builds on the concept of a Balanced Business Scorecard. The approach allows organizations to identify key drivers and how they are linked and use these to develop targets and measures.

REFERENCE
www.projectsigma.co.uk
www.projectsigma.co.uk/Guidelines/SigmaGuidelines.pdf
www.projectsigma.com/Toolkit/SiGMASustainabilityMarketing.pdf
G3
Global Reporting Initiative - GRI

COUNTRY
Netherlands

WHAT IT IS
It is an initiative that embodies the first global willingness to reach a consensus on a series of guidelines for disclosure of corporate social and environmental responsibility. It aims to raise the quality of reports to a level of comparability, consistency and usefulness.

ORIGIN
Tool developed by the Global Reporting Initiative (GRI), an international organization based in Amsterdam, Netherlands, whose mission is to develop and disseminate globally applicable Sustainability Reporting Guidelines. The idea of establishing a global standard for non-exclusively financial reports came up in 1997 in a partnership between CERES (Coalition for Environmentally Responsible Economy), an American non-governmental organization comprising environmental organizations, workers, religious people, socially responsible investors, and institutional investors, and the United Nations Environment Program (UNEP).

The first version of the Sustainability Reporting Guidelines was released in 2000 and was developed in a voluntary, multi-stakeholder and consensual process involving the business sector, NGOs, labor organizations, institutional investors, human rights activists, audit and consulting firms, UN agencies, among others. It became an international process, whose main purpose is to develop and disseminate global guidelines and incorporate a series of sustainability indicators into sustainability reporting (Sustainability Reporting Guidelines). The guidelines are currently in their third version – G3 – launched in October 2006 and already translated into Portuguese.

OBJECTIVE
GRI seeks to establish an international standard for economic, social and environmental reporting. The model put forward by the organization sets principles and structures a reporting model that enables organizations to present their overall economic, social and environmental performance. It allows benchmarking, once it sets standards (indicators) and serves as a platform to facilitate dialogue with and engagement of stakeholders. Besides global guidelines, the GRI develops sector supplements (Financial Services, Mining and Metals, Tour Operators, Public Agencies, Automotive, Telecommunications, among others) and plans to launch national guidelines.

GRI encourages companies to:
• Report on the principles implementation process;
• Set targets;
• Identify improvements achieved in various aspects;
• Report on whether objectives were met or not;
• Assess the internal consistency between corporate sustainability policy and its de facto implementation.

CONTENT
The framework and content are constantly revised and updated through a participatory process involving different sectors of the global society. The document is structured in five parts:

Introduction: Trends driving sustainability reporting and the benefits of reporting.


Part B – Reporting Principles: principles and practices that promote rigorous reporting and underlie the application of the Guidelines.


Part D – Glossary and Annexes: additional guidance and resources for using the Guidelines.

GRI proposes a set of indicators organized in the economic, environmental and social dimensions, subdivided into categories, aspects and quantitative or qualitative indicators. The choice of indicators depends on the characteristics and priorities of each organization and its stakeholders.

The Sustainability Reporting principles are the following: Materiality, Stakeholder Inclusiveness, Sustainability Context, Completeness, Balance, Comparability, Accuracy, Timeliness, Reliability, and Clarity. There is a version (High5!) for small and medium-sized enterprises.
An organization may choose to simply use the Guidelines for informal reference, apply them in an incremental fashion, or can choose to assess its report content as level C, C+, B, B+, A or A+. Each one of these categories has a series of requirements to be met.

The classification in each one of the Application Levels is made through self-assessment. A “plus” (+) indicates the report has been submitted to an external assurance process.

For each level, GRI has created an icon to be inserted in the report, besides a GRI-Checked icon. The GRI check covers only the disclosure items, and not the report content, not being equivalent to external assurance.

GRI understands the development of a widely accepted reference table for economic, social and environmental disclosure is a long term work, regardless of the level of expertise in the field.

RESULTS

Around one thousand companies make use of GRI Guidelines for sustainability reporting, including General Motors, ABN Amro Bank, Bayer, Nike and Petrobras.

In Brazil, the model has been adopted by 19 organizations, all of them being large corporations.

(Source: www.globalreporting.org/reportsDatabase/06searchDB.asp – accessed on Sep 19, 2006).

The current trend is that more and more companies worldwide make their reports using the GRI model. This standardization will facilitate the analysis and comparability of their performance.

DICA


PARTNERSHIPS

The GRI / GLOBAL COMPACT partnership seeks to align the strategies of both initiatives, which have similar proposals – one of them aimed at corporate responsibility and the other at sustainability. The idea is to take advantage of the advances reached and enhance the diffusion of citizenship principles among the private sector.

As a result, the Global Compact associates can more easily adopt the GRI model and vice versa. The first practical action deriving from this partnership was the development of a new tool called “Making the connection: Using the GRI’s G3 Reporting Guidelines for the UN Global Compact’s Communication on Progress.” It shows to its associates how to use the GRI model to report on progress in implementing the ten Global Compact principles.

REFERENCE

www.globalreporting.org
Download G3: www.globalreporting.org/home/languagebar/portuguese.htm

COLLABORATION

Report Comunicação www.reportcomunicacao.com.br
Small Business Journey, e Better Business Journey

The Small Business Consortium

COUNTRY
United Kingdom

WHAT IT IS
The two tools have been developed to help small businesses to raise their profitability through social responsibility practices. The Small Business Journey is an online guide and the Better Business Journey is a booklet.

ORIGIN
The Small Business Consortium was formed in 2002 with the aim of raising the profitability of small and medium-sized businesses in the UK by encouraging, developing and supporting social, environmental and community best practice in business. The Consortium makes available a series of high quality, customer focused materials for small businesses about responsible entrepreneurship. The consortium is open to any stakeholder organization willing to join it, and currently gathers British institutions such as Accountability, Arts & Business, British Chambers of Commerce, Business in the Community, CSR Europe, Federation of Small Business, The Forum of Private Business, Institute of Directors, Lloyds TSB, and Scottish Business in the Community.

The Small Business Journey was the first initiative, launched in 2004.

The Better Business Journey has been recently launched by the consortium and is another way to guide and inspire business, besides offering examples of simple actions that can be taken by businesses of any size and sector.

OBJECTIVE
The publication is intended to show small entrepreneurs that social responsibility reduces the negative impacts of the business activity on the environment and the society, besides creating positive effects. The journey is designed to help businesses of any size or type to grow so as to create stakeholder value by adopting social responsibility practices. Easy-to-understand and suitable to the companies’ reality, it shows how small businesses can have more added value to their reputation and public recognition, among other benefits of social responsibility.

CONTENT
Small Business Journey

There are three routes on The Journey. Each route looks at a series of issues that can have a positive impact on your long term business success. They are called +points because they can be used to add value to your business. Each part of the journey deals with:

I. Policy - What’s the theory and how can it be put into practice in your business? There are 6 +points to consider.

II. Practice - Here you’ll find information on practical measures like managing waste and implementing better payment procedures. There are 9 +points to consider.

III. Stakeholders - Here you’ll focus on how to communicate effectively with your employees, customers and suppliers. +points concerned with listening to and communicating with 4 groups of stakeholders.

The whole Journey content can be found at www.smallbusinessjourney.com (online and PDF). The website offers substantial guidance on specific issues for each of the three routes, helping companies to come into action.
**Better Business Journey** é um livrero para empreendedores de PMEs que oferece dicas e ações que podem ser incorporadas por qualquer negócio.

- Information on how your business can benefit in a tangible way.
- Focusing on four key business areas of: People, Premises, Purchasing and Promotion (Sales and Marketing).
- Lists of actions divided into those suitable for Starting Off, Getting into Your Stride and Leading the Way depending where your business is at on the Better Business Journey. What is easy and straight-forward for one business may be quite a tough action for another. We recognize that many businesses may find that they are already doing some actions listed as Leading the Way but not yet doing all those listed for Starting Off. The idea is to start with those actions that make most sense to you. These lists are based on feedback from owner-managers.

**STEP BY STEP**

Any company can use the information that is published for free on Small Business Journey or Better Business Journey website with the condition that the company provides a full reference to The Small Business Consortium and website.

The idea is that actions begin from the stage the business currently is at, and focused on its Market needs. That allows measuring the success of initiatives for the business and the stakeholders.

There are no implementation or execution processes. There is no starting point. Companies should be interested in the solution for the problems they are facing. The consortium suggests that the company follow each route, dealing with the issues raised according to the characteristics of the business, and, especially, taking its time.

According to Small Business Journey, as the company progresses in the journey, it obtains:

- Compliance with legal requirements and regulations;
- Better reputation;
- Improved relationship with key persons to the business;
- Risk management, and
- Spark innovation in its processes, products and services.

According to The Small Business Consortium, responsible businesses:

- are profit-, people- and planet-oriented (3 Ps: profit, people, planet);
- integrate social responsibility practices into their strategy;
- are valued by employees as excellent places to work;
- are valued as good neighbors by the community;
- are regarded as good investments by financiers and investors;
- provide health and safety;
- adopt environmental principles.

**RESULTS**

The Consortium does not control the results reached by using the tools, once both tools do not have a single process established for implementation (each company has a different experience).

**REFERENCE**

**Better Business Journey**

www.betterbusinessjourney.com

**Small Business Journey**


**COLABORAÇÃO**

Stephanie Hagan
Partnerships Manager Small Business Consortium
“Responsible competitiveness means markets that systematically and comprehensively reward business for strategies and practices that take explicit account of the social, economic and environmental impacts. Making sustainable development count in tomorrow’s markets requires political, business and civil society leaders building effective public policies, strengthening social conditions and supporting responsible markets”.

**COUNTRY**
United Kingdom

**WHAT IT IS**
It is an index that links the state of corporate responsibility and competitiveness of nations. The Index is intended to be a robust analysis of how countries are performing in their efforts to promote responsible business practices.

**ORIGIN**
The development of the Responsible Competitiveness Index – RCI was coordinated by Accountability and started following the Global Policy Dialogue on Responsible Competitiveness, held in 2004. It is supported by the Rockefeller Brothers Fund and partners with Fundação Dom Cabral, the UN Global Compact, business networks, research organizations and public institutions in Africa, Asia, Europe and Latin America.

The index is in its third version.

The first one started in 2003, when 51 countries comprised the ranking aligning corporate responsibility and the competitiveness of nations.

In order to develop the 2005 version of the index, the state of corporate responsibility was diagnosed in 83 nations from the analysis of criteria such as corruption, environmental management and corporate governance in each country. The research was then related to the World Economic Forum competitiveness index. The World Economic Forum competitiveness index defines competitiveness as the ability of a country to achieve sustainable growth in the medium and long term.

In 2007, the index was launched again, but this time covering 108 countries in its study, including Brazil, according to the extent to which the political, economic and social climate favors (or not) business strategies and practices based on the sustainability principle. Report: The State of Responsible Competitiveness 2007 — Making Sustainability Count in Global Markets.

**OBJECTIVE**
Responsible competitiveness is a concept that allows assessing to what extent the markets reward corporate responsible behavior, and to what extent they punish irresponsible behavior. It is a necessary condition for a feasible globalization process that aligns enhanced corporate opportunities and roles in development with less poverty and inequality and better environmental balance. It foresees that governments and companies all over the world will increasingly embody social responsibility issues in their development strategies and maintenance of national competitiveness.
ACCOUNTABILITY

6.12

Chapter 6
Management Tools – Europe

CONTENT

The 2007 Responsible Competitiveness Index consisted of 21 economic, social and environmental indicators grouped in three dimensions assessing:

1. The extent to which business strategies and practices explicitly consider the social, economic and environmental impacts.
2. The extent to which the country’s macro environment guides such strategies and practices.
3. The extent to which country’s social drivers, such as freedom of the press and the degree of intolerance of its society as to corruption, pressure or hinder the advancement of responsible competitiveness.

The 21 social, economic and environmental indicators (2007 version) are the following:

Policy Drivers
1. Signing and Ratification of Environmental Treaties.
2. Ratification of Basic Worker’s Rights.
3. Rigidity of Employment Index.
5. CO2 emissions per billion dollars.
6. Private sector employment of women.
7. Responsible tax environment.

Business Action
8. Efficacy of Corporate Boards
9. Ethical Behavior of Firms.
11. Strength of Auditing and Accounting Standards.
12. Extent of Staff Training.

Social Enablers
15. Corruption Perception Index.
16. The Degree of Consumer Orientation.
17. Freedom of the Press.
18. Transparency of Transactions.
19. NGO membership.
20. Civil Liberties.

The three dimensions are:

1. Policy Drivers – include indicators demonstrating government commitment, such as the signing and ratification of international treaties, the design of a responsible tax system, the implementation of stringent environmental regulations and measures to reduce gender inequality. Effective policy drivers require the coordination of many government departments and agencies, and (in larger countries particularly) more effective mechanisms for combining central, regional and local policies.

2. Business Action – At the firm level, responsible management systems will include effective action on issues like staff training, occupational health and safety, and reducing environmental impacts.

3. Social Enablers – As businesses move beyond the implementation of basic responsibility management systems, and as governments coordinate their policies to support the private sector, they run into territory where the first mover advantage disappears.

The index was created using a linear regression model in which the independent variables (regressors) are the factors described above. In addition, the regression model considers the development level of the country: low, medium and high income (rating used by the World Bank).

The role of companies has proved critical to promote responsible competitiveness, once, among these three dimensions, the one that assesses the extent to which business strategies and practices explicitly consider
the social, economic and environmental impacts was the most important in building the index.

RESULTS

In 2003, 2005 and 2007, AccountAbility and its partners launched the Responsible Competitiveness Reports, which can monitor the progress of regions and the whole world.

Nordic countries dominate the list, with Sweden taking first place and Denmark, Finland, Iceland and Norway all being in the Top Six, alongside the UK. Thirteen of the “Top 20” list are European countries. They are joined by Hong Kong, Japan and Singapore from Asia; Canada and the United States, and Australia and New Zealand.

South Africa leads the so-called BRICS (Brazil, Russia, India, China and South Africa) in 28th position, with Brazil, Russia, India and China extending down the list in that order. Brazil took the 56th position in the overall ranking. India, Russia and China ranked 3rd, 4th and 5th, respectively, in this group, and 70th, 83rd and 87th in the overall ranking. Emerging economies like Chile and Malaysia perform within the top quartile, and somewhat better than a number of states that have recently joined the European Union.

Among the low-income countries, Zambia and Uganda perform better than countries at comparable levels of development, while in Cambodia, Morocco and Bangladesh, responsible competitiveness initiatives at sector level have yet to generate results at national level.

The report entitled Responsible Competitiveness: Reshaping Global Markets through Responsible Business Practices – Latin America, launched in late 2006, analyzes Latin American progress towards responsible competitiveness. It is a joint effort of AccountAbility, FDC and Inc ae, supported by Forum Empresa and Fundemas.

REFERENCE

- www.accountability21.net
- 2006 Report (Latin America)
  - Summary: www.accountability21.net/research/default.asp?pageid=242

COMPARISON OF RANKINGS

Growth Competitiveness Index – GCI and National Corporate Responsibility Index – NCRI
The Natural Step - TNS®
Willis Harman House

COUNTRY
Sweden (country of origin). Currently present in 12 countries.

WHAT IT IS
A guide with key conditions for a sustainable society, built from a consensus of scientists, and with a methodology for business planning / decision-making. Designed to companies, organizations and people who wish to contribute to sustainable development of the society.

ORIGIN
In an effort to provide a practical tool for assessing decisions in terms of sustainability, The Natural Step Framework was created in Sweden in 1989 by an oncologist, Dr. Karl-Henrik Robert, in response to growing concerns about the public health problems resulting from increasing toxins in the environment and current societal resource use practices.

The TNS Framework is fundamentally based on both an integrated assessment of current economic, social and ecological dynamics, and on the implications of present trends for human society.

With the help of 50 Swedish scientists, Dr. Robert developed a consensus document that describes the basic knowledge of the biosphere’s functions, how society influences natural systems, that humans are a part of natural systems, that humans are threatening themselves by deteriorating natural functions and, finally, that there are great possibilities to change the situation into an attractive sustainable society. In the early nineteen nineties, Karl-Henrik Robert worked with Swedish physicist, John Holmberg, to define a set of system conditions for sustainability which are based on laws of thermodynamics and natural cycles. Together the ideas behind the consensus document and the four system conditions are the foundation of The Natural Step (TNS®) framework.

A new movement was born, called “silent revolution” by many. After the engagement of businesspeople, scholars, journalists, artists, media, and the support of the King of Sweden, the document was sent to every household and school in Sweden. An international consulting, research, and educational organization was then set up with the same name – The Natural Step (TNS®), in order to speed up the journey towards global sustainability.

Currently TNS® is present in 12 countries: Australia, Brazil, Canada, France, Israel, Italy, New Zealand, South Africa, Sweden, United Kingdom and United States. Sustainability experts, scientists and universities work in a network to create solutions, innovative models and tools to lead us to a sustainable future. The objective is to keep the planet’s ecosystems and global social fabric healthy and capable of sustaining us and the future generations. TNS® is represented in Brazil by Willis Harman House / ANTAKARANA (www.willisharmanhouse.com.br) an organization aimed at raising awareness and contributing in the process of building a sustainable future by representing other international institutions – besides TNS® – devoted to the theme.

OBJECTIVE
The Natural Step Framework is a science and systems-based approach to organizational planning for sustainability. It provides a practical set of design criteria that can be used to direct social, environmental, and economic actions. It is fundamentally based on both an integrated assessment of current economic, social and ecological dynamics, and on the implications of present trends for human society.

Note – TNS does not usually place sustainability analysis at independent levels in the social, economic and environmental spheres, for it believes the analysis of the system goes beyond the three instances together.

The document brings four essential conditions for sustainability and suggests a planning method to achieve them called backcasting. Differently from the traditional strategic planning, which tries to foresee future trends drafting possible scenarios and adjusting the business strategy, this method starts from a description of a successful outcome (what a sustainable business would be like) and then links today with that successful outcome in a strategic way.
TNS addresses problems at the source and turn them into opportunities for innovation. It works like a general philosophy, covering a whole system: general principles that teach prevention to the source, making problems easier to solve (upstream) or dealing with the consequences, impacts, in a complex manner, that involves the analysis of the life cycle of products and services (downstream).

The TNS Framework helps individuals and organizations to address key environmental issues from a systems perspective, reduce the use of natural resources, develop new technologies, and facilitate better communications among employees and members. It gives people a common language and guiding principles to help change existing practices and decrease their impact on the environment.

CONTENT

The definition of four essential systems conditions for maintaining life on Earth is, today, together with a broad methodology on how to apply them strategically, part of a global consensus, and is in the TNS reference framework. It comprises three major components:

1. The Funnel – TNS uses a metaphorical tool to better understand the current environmental predicament, and the limited room for maneuvering.

The current situation for people on the Earth can be viewed as a funnel with diminishing room to maneuver. This situation is caused by the fact that mechanisms that provide essential life-supporting resources for society’s continued existence on the planet, such as clean air, clean water, and productive topsoil, are in decline. At the same time, society’s demand for these resources and services is increasing. The Earth’s population is currently at more than six billion people and growing. Our consumption level is also increasing. Being aware that everyone lives in this funnel makes people more strategic when making choices and long-range plans. The Natural Step believes that through innovation and unlimited change we can catalyze the shift toward sustainability.

II. System Conditions - TNS worked with scientists to develop a set of basic principles used to help guide organizations towards sustainability.

In the sustainable society, nature is not subject to systematically increasing:

1. Concentrations of substances extracted from the Earth’s crust – extracted materials must be controlled so that concentrations of metals, minerals and fume from fossil fuels do not accumulate, causing damage to the health and the ecosystems. It is necessary to let the natural cycles renew themselves.

Objective – Eliminate our contribution to systematic increases in concentrations of substances from the Earth’s crust.

2. Concentrations of substances produced by society – When man produces chemical substances, drugs and plastics, among others, he needs to do it in a way and in amounts that do not interfere in the natural cycle of decomposition in Nature.

Objective – Eliminate our contribution to systematic increases in concentrations of substances produced by society.

3. Degradation by physical means – We must not plant so that the soil will lose its nutrients or species will disappear, as well as road building and constructions must not significantly interfere in the environment. It is necessary to preserve the existing resources.

Source: www.naturalstep.ca/framework.htm
Source: www.thenaturalstep.org
Objective – Eliminate our contribution to systematic physical degradation of nature, through over-harvesting, depletion, foreign introductions and other forms of modification.

4. People are not subject to conditions that systematically undermine their capacity to meet their needs – Here people are urged to improve the ways they satisfy themselves, and the companies are called to meet the needs of their customers by using the minimum amount of resources.

Objective – Contribute as much as we can to the goal of meeting human needs in our society and worldwide, going over and above all the substitution and de-materialization measures taken in meeting the first three objectives.

Source: www.naturalstep.ca/systemconditions.html

III. Implementation Strategies – TNS created and tested specific tools used for integrating sustainability into complex organizations’ strategic planning and decision-making processes. The ABCD planning process, which will be explained below:

STEP BY STEP

The ABCD planning process is the third component of the TNS framework:

A – Awareness
• Are you aware of the need for sustainable practices?
• Are you aware that our margin for action is narrowing?

B – Baseline Mapping
• What’s our current reality?
• Are we meeting the System Conditions?
Source: http://www.naturalstep.ca/implementation.html
• Think about (or even map out) current in and outflows of material and energy.

C – Create a clear and compelling vision
• Imagine what your sustainable future looks like.
• Backcasting – Now look back FROM this sustainable future TO where you are today. What measures will take

D – Down to action
• Steps to sustainability – How will you manage and prioritize steps to sustainability?
• Start with the “low-hanging fruit” – the cost-effective steps towards sustainability that you can take immediately.

RESULTS

Recognizing the value of changing behaviors to reflect the understanding of cyclical processes instead of linear ones, large corporations started incorporating system conditions into their business practices. Today, in Sweden, The Natural Step (TNS’) has been transforming the way individuals, schools, communities and businesses think about the natural world and sustainability. More than 70 municipalities have adopted the framework and 60 corporations such as IKEA, Electrolux, McDonalds, Scandic Hotels and OK Petroleum are actively using The Natural Step (TNS’).

TNS is represented worldwide in 12 countries where there are companies which have implemented or are implementing its framework. An outstanding example in the USA is Interface Inc. – world’s largest manufacturer of modular carpet for commercial and residential applications.

REFERENCE
www.thenaturalstep.org
www.naturalstep.ca/framework.html

CONTACT AND COLLABORATION
The Natural Step Brazil
Willis Harman House / Antakarana
tns@willisharmanhouse.com.br
www.willisharmanhouse.com.br
**CSR Toolkit for SME**

Corporate Social Responsibility - COSORE

**COUNTRIES**

Germany, Italy, Belgium and Portugal

**WHAT IT IS**

A toolkit developed to support consultants responsible for introducing Corporate Social Responsibility in small and medium-sized enterprises.

**ORIGIN**

The Cosore project is the result of a partnership among organizations from different European countries, such as Siemens and ISOB from Germany, CAN-Ecipa Lazio from Italy, Vitamine W from Belgium, and Global Change from Portugal. Funded by the Directorate General for Employment, Social Affairs and Equal Opportunities of the European Commission to introduce CSR in micro and small companies, Cosore developed in two years methodologies and tools, such as:

- A package with the necessary instruments aiming to raise Corporate Social Responsibility in SME (Cosore - CSR Toolkit for SME - Consultants Working Manual)
- An evaluation method based on the Balanced Scorecard
- A final report of the project and the evaluation report
- Improvement of communication and common work within the regional networks

**OBJECTIVE**

The COSORE toolkit is meant to support the consultant from the very beginning of the process - the introduction of CSR in the company – until the monitoring of the results of the implementation of the CSR plan. It can also be used by the consultant to enhance SME’s existing CSR-practices or to introduce the theme in a SME generically interested in it without having a clear idea of it. So, the COSORE toolkit aims to help consultants and SME’s owners and managers in this pathway, offering a process organized in useful steps in order to:

- Understand CSR as a concept
- See CSR benefits for the company, according to different business perspectives
- Identify a tailored CSR strategy / CSR activities to be implemented within the company, according to existing mission and vision / stakeholders social demands
- Implement the CSR plan
- Monitor performance by means of an adapted version of the Balanced Scorecard

**CONTENT**

The tool offers the consultant a complete “step by step” process, suitable to help SMEs to implement social responsible activities and to attest the quality and the effects of these activities. Each organization decides, according to its reality, which steps need a deeper analysis work and, on the contrary, which ones can be undertaken easily and in a quicker way.

**STEP BY STEP**

It is a “step-by-step” looping process, with 14 steps (distributed in 6 moments), based on the Balanced Scorecard (BSC) methodology.

0.) Mobilizing
- Convincing, mobilizing and introducing CSR in the SME

1.) Deepening and reflecting CSR and its benefit
- Coverage of enterprise data
- Discussing and defining the understanding of CSR
- Sampling examples of good practices of CSR
- Discussing the benefits of CSR
- Showing the general effects of CSR on different business perspectives

2.) Linking CSR with business activity
- Developing mission, vision and strategic themes of the company
- Developing the CSR perspective / strategic CSR themes
2.3 Defining stakeholders and their social demands on the company

3.) Recognizing and selecting CSR dimensions of the SME
3.1 Defining state of the art: CSR in the company
3.2 Elaborating CSR-short list

4.) Planning, structuring and netting the CSR engagement and creating preconditions for CSR evaluation
4.1 Deriving CSR-BSC
   • Strategic objectives
   • Measures and targets
   • (Attention to measures)
   • Specifying the targets
   • Defining initiatives and those responsible
   • (Specifying the initiatives)
4.2 Map the CSR strategy
4.3 Linking CSR-BSC with the engagement of teams/individuals

5.) Monitoring, evaluating and adapting activity-transfer
5.1 Monitoring performance (feedback and learning)
   • Measures and targets
   • Initiatives/actions
   • CSR strategy.

The guide *The Step By Step Process to Implement Corporate Social Responsibility in SME* details the 14 steps to be taken by SME with the help of a consultant. The guide specifies for each step contents and questions to be discussed and answered, purpose and target. COSORE suggests that the CSR-BSC Process is not finished by doing step 1 to step 14. It is a loop. Once the organization has translated the first draft of its CSR-strategy into action, it has to review and to adapt it - so the BSC will change and organization will do the steps again. This way the organization assures that its CSR activities are constantly adapted to its business in a broader context.

**RESULTS**

20 companies of the European partner countries have tested the tool and their evaluation was positive. It is known that a management consultancy company has already integrated the tool in its own business activity.

**REFERENCE**

[www.cosore.com](http://www.cosore.com)

**CONTRIBUTION**

Bettina Stoll (Siemens, Germany)
7

Standards and Certifications

7.1 Introduction
7.2 Sweden - International Organization for Standardization - ISO 26000 ISO
7.3 Sweden - International Organization for Standardization - ISO 14064/5 ISO
7.4 Germany - Forest Stewardship Council FSC-IC
7.5 Germany - Values Management System FZW - VMS DNWE/ZFW
7.6 Australia - Australian Standards - AS 8003 ASCSR
7.7 Israel - Standard Israel - SI 10000 SII
7.8 Brazil - Associação Brasileira de Normas Técnicas - ABNT NBR 16001 ABNT
7.9 European Commission - Eco Management and Audit Scheme - EMAS CE
7.10 Denmark - Det Social Index DSI
7.11 Spain - Sistema de Gestión Ética Y Responsabilidad Social - SGE 21 FORÊTICA
7.12 USA - Occupational Safety & Health Administration - OHSAS 18001 OHSAS
7.13 USA - Social Accountability - SA 8000 SAI
7.14 France - Sustainable Development - SD 21000 AFNOR
7.15 Italy - QRES CELE
7.16 Japan - Ethics Compliance Management System Standard - ECS2000 JSBES
7.17 United Kingdom - AccountAbility - AA 1000 ACCOUNTABILITY
7.18 United Kingdom - British Standards - BS 8555 BSI
7.19 United Kingdom - British Standards - BS 8800 BSI
7.20 United Kingdom - British Standards - BS 8900 BSI
7.21 United Kingdom - Good Corporation Good Corporation Ltd
7.22 United Kingdom - Comunity Mark BITC
7.23 United Kingdom - Investors in People Standard / Investors in People UK
The numerous existing standards are not limited, however, to procedures standardization. They foster a deep reflection regarding management tools to be used in order to ensure sustainable development planning. They result, above all, in the necessary internal mobilization so that a detailed and reliable diagnosis of the organization's commitment can be made. In this sense, standards are also part of the organizations' strategy.

Two types of standards can be identified, according to the objectives of those implementing them.

There are standards published by official standards organizations, among which we can highlight:

- ISO 14000 (environment)
- ISO 9000 (quality)
- CE EMAS (environment)
- BS 8800 (decent work conditions)
- BS 8855 (environment)

The market has encouraged the creation of institutions to develop standards for certain key management systems in areas such as occupational safety and working conditions, among others. In this field, the most outstanding standards are:

- SA 8000 (social rights)
- OHSAS 18001 (risks/accidents)
- AA 1000 (accountability)

As far as social responsibility is concerned, Brazil already has its social responsibility standard, of a management system nature with certification purposes.

- ABNT NBR 16001

The following countries also have social responsibility standards:

- England (BS 8900)
- Australia (AS 8003)
- France (SD 21000)
- Israel (SI 10000)
- Japan (EC S2000)
- Italy (Q-Res)
- Germany (VMS)

Based on the world demand on the social responsibility theme, a third generation of standards in underway to be launched in 2009 – the social responsibility one – presenting guidelines with no certification purposes.

- ISO 26000

It is in the environmental field, however, that we find the greatest number and also the most advanced standards as accepted and established tools. They are useful for diffusing CSR and are renowned models that serve as inspiration for social standards improvement.

Normative processes are typical of large companies because they involve substantial financial, organizational and human investment. For the smaller ones, normative processes usually take place by pressure from the competition, large customers or contracting companies.
ISO 26000

International Organization for Standardization – ISO

“Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it’s the only thing that ever has.”

Margaret Mead, anthropologist (1901-1978)

**COUNTRY**

Sweden

**WHAT IT IS**

The ISO 26000 will be an international standard providing guidelines for social responsibility (SR). Differently from ISO 9001 and ISO 14001, it will not be a certification standard, at least in its first version.

**ORIGIN**

ISO (International Organization for Standardization) was created in 1946 as an international confederation of national standardization bodies worldwide. It promotes standards and activities that favor the international intellectual, scientific, technological and economic cooperation. ISO is a network of the national standards institutes of 150 countries, one member per country, with a Central Secretariat in Geneva, Switzerland, that coordinates the system. Brazil’s representative is the Brazilian Association of Technical Standards (ABNT).

The management systems series currently offered by ISO are considered two of the most successful management models of late 20th Century, with over 600 thousand certificates based on ISO 9001 and ISO 14001 (source: www.iso.org, May 2005).

ISO has chosen ABNT, Brazilian Association of Technical Standards and SIS, Swedish Standards Institute, to provide the joint leadership of the ISO Working Group on Social Responsibility (ISO/TBM/WG SR) comprising over 430 people from 72 countries and 35 international organizations. This process brings a historical fact to ISO: it is the first time a developing country leads a process of this magnitude.

The ISO 26000 development process is innovative within ISO due to its collective knowledge building approach and a multi-stakeholder engagement: consumers, companies, governments, non-governmental organizations, workers, besides standards institutes and research institutions. Hence, one of its highlights is the broad participation of stakeholders. Usually excluded from processes of such nature - workers, consumers and NGOs – traditionally developed by companies and standards institutes.

For this reason, it will achieve legitimacy, depth and completeness to enable the consolidation of the existing initiatives in the social responsibility field. It is a permanent work. The same characteristics that confer legitimacy lead to increasing demands for turning it into a global process as the discussions move forward. The challenge will be to attract more organizations to the process.

The WG SR has been given the task of drafting an International Standard for social responsibility that will be published in 2009 as ISO 26000.

**TIME FRAMES FOR ISO 26000**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 02</td>
<td>ISO/TMB establishes a multi-stakeholder Strategic Advisory Group</td>
</tr>
<tr>
<td>Jun 04</td>
<td>ISO decides in favor of developing an ISO guideline standard on SR</td>
</tr>
<tr>
<td>Jan 05</td>
<td>ISO WG SR start their works</td>
</tr>
<tr>
<td>Mar 05</td>
<td>1st International meeting in Salvador, Brazil (March 2005)</td>
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<tr>
<td>Sep 05</td>
<td>2nd International meeting in Bangkok, Thailand (September 2005)</td>
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<tr>
<td>May 06</td>
<td>3rd International meeting in Lisbon, Portugal (May, 2006)</td>
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<tr>
<td>Jan 07</td>
<td>4th International meeting in Sydney, Australia (February 2007)</td>
</tr>
<tr>
<td>Nov 07</td>
<td>5th International meeting in Vienna, Austria (November 2007)</td>
</tr>
<tr>
<td>Nov 09</td>
<td>ISO 26000 launch</td>
</tr>
</tbody>
</table>
OBJECTIVE

It is aimed at providing social responsibility guidelines (it will not, therefore, be for use as a certification standard) and help organizations of different sizes and purposes – small, medium-sized and large companies, governments, civil society organizations, among others, to integrate SR into their management. For being applicable to more than just private companies, ISO 26000 shall use the terminology social responsibility (SR) instead of corporate social responsibility (CSR).

CONTENT

The future ISO 26000 will be consistent with and not in conflict with existing documents, international treaties and conventions and existing ISO standards. It is aimed at assisting organizations in addressing their social responsibilities while respecting cultural, societal, environmental and legal differences to foster performance and results improvement.

CORE THEMES ADDRESSED IN THE FUTURE ISO 26000

ORGANIZATIONAL GOVERNANCE

• Governance
• Legal compliance
• Ethical conduct
• Accountability
• Transparency
• Performance

HUMAN RIGHTS

• Civil and political rights
• Vulnerable groups
• Economic, social and cultural rights
• Fundamental rights at work

LABOR PRACTICES

• Employment
• Rights at work
• Social protection
• Social dialogue
• Health and safety

ENVIRONMENT

• Sustainable land use
• Sustainable resource use
• Conservation and restoration of ecosystems and nature
• Pollution prevention
• Climate change
• Energy
• Water

CONSUMER-RELATED ISSUES

• Suitable and reliable information

SAFE AND RELIABLE PRODUCTS
• Mechanism for product recall
• Consumer service and support
• Dispute resolution
• Fair information and marketing practices
• Environmentally and socially beneficial products
• Data protection and privacy

FAIR OPERATING PRACTICES

• Fair supply and after-supply practices
• Ethical and transparent practices
• Anti-corruption practices
• Promotion of underprivileged stakeholders
• Fair competition
• Respect for property rights

SOCIAL DEVELOPMENT

• Community involvement
• Contribution to social development
• Contribution to economic development

PRELIMINARY DEFINITION OF SR AS AGREED IN SYDNEY

Responsibilities of an organization for the impacts resulting from its decisions and activities on the society and environment through a transparent and ethical behavior that:

- is consistent with sustainable development and the society’s well-being;
- take into account stakeholder expectations;
- is in compliance with applicable laws and consistent with international standards;
- is integrated throughout the organization.

STEP BY STEP

According to the latest resolutions, ISO 26000 will be structured around the following sections:

0. Introduction
1. Scope
2. Normative references
3. Terms and definitions
4. The SR context in which organizations operate
5. SR principles
6. Guidelines in core SR themes
7. Guidelines for organizations in SR implementation

Annexes
Bibliography

REFERENCE

www.iso.org/sr
www.uniethos.org.br
ISO 14064/65
International Organization for Standardization – ISO

“The participants at the 2007 World Economic Forum in Davos agreed that climate change constitutes by far the greatest threat to the world economy. ISO 14064 and ISO 14065 are good examples of ISO’s ongoing efforts to develop and promote practical tools that contribute to the sustainable development of the planet.”

Alan Bryden, ISO General-Secretary

COUNTRY
Sweden

WHAT IT IS
International standards providing guidelines and procedures for CDM (Clean Development Mechanism) projects implementation provided for in the Kyoto Protocol, encompassing concepts of climate change, GHG emissions and removals.

ORIGIN
ISO 14064:2006 standard for greenhouse gas accounting and verification was published in March 2006 to help organizations in their GHG inventory design and development. It resulted from the work of some 175 international experts from 45 countries.

Main Characteristics and Guiding Principles:
• Interaction with IPCC (Intergovernmental Panel on Climate Change) reports;
• Standard applicable to all types of programs or systems;
• Technical accuracy due to new concepts and difficulty in verification and measurement;
• Broad participation of countries.
• Compatibility and consistency with:
  o WBCSD and WRI GHG Protocols;
  o Kyoto flexibility mechanisms.

ISO 14064 will be complemented by ISO 14065:2007, which specifies requirements to accredit or otherwise recognize bodies that undertake GHG validation or verification using ISO 14064 or other relevant standards or specifications. The standard was developed by a working group consisting of 70 international experts from 30 countries (including Brazil) and a network of organizations, including the International Accreditation Forum (IAF).

OBJECTIVE
ISO 14064 is aimed at conferring reliability and transparency to companies’ existing CDM projects or under development, and at valuing their carbon credits.

ISO 14064’s objectives are:
• Improving environmental reliability of GHG quantification;
• Promoting consistency, transparency and credibility in GHG quantification, monitoring, reporting and verification especially concerning GHG emission reductions and GHG removal enhancements;
• Supporting the design, development and implementation of comparable and consistent GHG schemes or programs;
• Enabling organizations to identify and manage GHG-related liabilities, assets and risks;
• Facilitating the trade of GHG allowances or credits.

CONTENT
ISO 14064:1:2006 — Specification with guidance at the organization level for the quantification and reporting of greenhouse gas emissions and removals, focusing on companies and other organizations willing to report on their GHG inventory.

Content
1 Scope
2 Terms and definitions
3 Principles
4 GHG inventory planning and development
  4.1 Organizational boundaries
  4.2 Operating boundaries
  4.3 Quantification of GHG emissions and removals
5 GHG inventory components
  5.1 GHG emissions and removals
  5.2 Organization’s activities aimed at reducing emissions or enhancing GHG removals
  5.3 GHG inventory base year
ISO 14064 – Greenhouse gases – Part 1, 2 and 3. Introduction

A RELAÇÃO ENTRE AS TRÊS PARTES DA ISO 14064 E ISO 14065
Mostra a inter-relação das normas focadas nos gases de efeito estufa (GEE).

Content
1 Scope
2 Terms and definitions
3 Principles
4 Requirements for validation and verification
   4.1 Overall
   4.2 Selection of GHG validators/verifiers
   4.3 Objectives, scope, criteria and uncertainty level of the validation or verification
   4.4 Validation/verification approach
   4.5 Assessing information systems and controls
   4.6 Assessing GHG data and information
   4.7 Assessing validation or verification criteria
   4.8 Evaluating GHG assertions
   4.9 Preparing validation/verification statements
   4.10 Validation or verification records

RESULTS
The standard shows it is possible to harmonize the industrial activity, an economic growth generator, with social responsibility and a conserved and protected environment, and that there should not be difficulties in applying the requirements established by the new ISO 14064 standard.

REFERENCE
[Links]
FSC Principles, Criteria and Standards
Forest Stewardship Council - FSC

COUNTRY
Germany

WHAT IT IS
In order to promote the discussion about sustainable use of forests, this organization has established principles, criteria and standards regarding economic, social and environmental issues.

ORIGIN
In 1993, following a broad consultation in several countries and with the support of social and environmental movements, the Forest Stewardship Council – FSC was created in a general meeting held in Toronto, Canada, with over 130 participants from 26 countries.

FSC's mission is to develop universal principles and criteria, harmonizing the environmental, social and economic interests of different stakeholder groups. FSC promotes responsible forestry worldwide through standards, policies and manuals.

The Brazilian Council for Forest Management – FSC Brazil is an independent non-profit non-governmental organization, acknowledged as a Public Interest Civil Society Organization and registered in the National Register of Non-Governmental Environmental Agencies (CNEA).

OBJECTIVE
The FSC standards are currently widely diffused and represent a sound global forest management system aimed at sustainability.

CONTENT
There are ten principles and 57 criteria regarding forest management consisting of legal aspects, indigenous rights, labor rights, multiple benefits and environmental impacts.

The 10 Principles
- Principle 1: Compliance with Laws and FSC Principles
- Principle 2: Tenure and Use Rights and Responsibilities
- Principle 3: Indigenous People’s Rights
- Principle 4: Community Relations and Workers’ Rights
- Principle 5: Benefits from the Forest
- Principle 6: Environmental Impact
- Principle 7: Management Plan
- Principle 8: Monitoring and Assessment
- Principle 9: Maintenance of High Conservation Value Forests
- Principle 10: Plantations

The detailed 57 criteria are available at:
www.fsc.org.br/arquivos/P&C%20originais%20português.doc

FSC supports the development of national or regional forest management standards adapted to the countries’ realities.

Padrões para download:
- SLIMF Amazônia brasileira (453 Kb) http://www.fsc.org.br/arquivos/Padrão%20SLIMF%20Amazônia%20brasileira.pdf
- Mata Atlântica (219 Kb) www.fsc.org.br/arquivos/Padrão%20Mata%20Atlântica1.pdf
- Castanha da Amazônia (539 Kb) www.fsc.org.br/arquivos/Padrão%20Castanha%20da%20Amazônia.pdf
- Floresta Amazônica de Terra Firme (319 Kb) www.fsc.org.br/arquivos/Padrão%20Floresta%20Amazônica%20de%20Terra%20Firme.pdf
- Plantações (409 Kb) www.fsc.org.br/arquivos/Padrão%20Plantações.pdf
STEP BY STEP

Forest certification is a voluntary process in which an independent certifier carries out the assessment of a forest enterprise and the verification of its compliance with environmental, economic and social issues that constitute the FSC Principles and Criteria.

The process can be summarized into the following stages:

• Request visit – the forestry operation contacts the certifier organization.
• Assess – an overall inspection of management, documentation and field assessment. The objective is to prepare the operation to receive the certification. Public consultations are carried out in which stakeholders can express themselves.
• Adjust – Following the assessment, the forestry operation must correct the non-conformities (if any).
• Certificate for the operation - the forestry operation receives the certification. At this stage, the certifier prepares and makes available a public summary.
• Annual monitoring – After the certification is granted, an operation monitoring is carried out at least once a year.

The certification process is performed by the certifier. The Brazilian Council for Forest Management does not issue certificates. Certifiers assess forest management or chains of custody operations to grant the FSC seal to products and audit certified operations of forest management or chains of custody. The certifier also sets the price and charges for the services.

The Brazilian Council for Forest Management does not receive any subsidy or payment for the certifications granted in the country.

For further information, access: www.fsc.org.br/arquivos/05abr2006__cartilha_fsc_nr6.pdf

REFERENCE

www.fsc.org.br
www.fscus.org
ValuesManagementSystemZfW - VMSZfW

German Business Ethics Network – DNWE

**COUNTRY**
Germany

**WHAT IT IS**
It is the German values management standard that integrates the moral dimension of economic transactions and questions of value into firms' strategies, policies, and procedures (process-oriented standard).

**ORIGIN**
ValuesManagementSystemZfW was developed by the Zentrum für Wirtschaftsethik - ZWF (Center for Business Ethics), founded in 1998 by the German Business Ethics Network (DNWE) 1 to promote the practicing of business ethics in Germany and Europe in close cooperation with other scientific and economic institutes.

VMSZfW has been developed based on a decade of practical experience and cooperation with leading German firms, ranging from small-and-medium enterprises (SMEs) to multinationals.

**OBJECTIVE**
To provide a sustainable safeguard for a firm and its development, in all dimensions (legal, economic, ecological and social).

It aims at sustainable management by integrating the firm's economic, moral, legal, and political dimensions.

According to the organization, "credibility and moral reputation are the prerequisites of corporate success in its relation to markets and the society."

**CONTENT**
The background of VMSZfW is the fundamental belief that a firm's value depends on its values. Moral, cooperation, performance and communication values2 of an organization have to be interconnected so as to generate a specific identity and guidance in decision-making.

VMSZfW's essential method is to develop a framework for values-driven governance by way of self-commitment and self-binding. In so doing, VMSZfW implements the concept of self-governance based on values. Its credibility is based on the transparent and continuous communication of the process of self-binding and each of its steps, within the firm and to external stakeholders.

The principles of the VMS are the following:

- **Sustainability**: keeping the license to operate and to growth in the legal, economic, ecological and social sense of the word.
- **Compliance**: to show integrity and fairness in every aspect of the business.
- **Competence**: organizations and individuals should have the resources to deal with corporate social responsibility as a business case.
- **Integration**: every component and element of a VMS must be consistent with and be part of the whole management process of a firm.
- **Self-binding**: a VMS can only be sustainable and successful if the actors bind and control themselves to this program.
- **Management Orientation**: VMS must be an integral part of all relevant areas of management.
- **Leadership**: VMS needs top management as role models and responsible actors.
- **Values-driven**: only law-driven compliance programs cannot be successful, but compliance must be accompanied by a values orientation.
- **Process Orientation**: the best practices in Corporate Social Responsibility need to focus on the development of ethical competences inside a corporation.
- **Validation**: any serious VMS needs evaluation and audit. The German VMS (VMSZfW) focuses on self-

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1 The German Business Ethics Network (DNWE) is a German network founded in May 1993. Currently there are about 500 registered members, many of whom are representatives from business, politics, the church, or the scientific community. DNWE aims to foster the interchange of ideas concerning ethical aspects in commerce and to encourage business activities to be ethically oriented. DNWE is the German chapter of the European Business Ethics Network (EBEN), which was founded in 1987 in Brussels, and seeks to promote an intercultural dialogue on various business ethics matters. EBEN is currently comprised of about 1000 members spread over 33 countries. EBEN maintains contact with all major business ethics associations.
binding and self-evaluation while external evaluation might enhance credibility.

**STEP BY STEP**

Every values management system is based upon definition and codification of those company values that determine its identity and structure its decision. When implementing a VMS, the management process is aimed at integrating the four steps mentioned below into the corporation's system – that is, in strategic management, operational development and training, policies and procedures, internal and external communication, and control.

**Management process** – VMS should be embedded in the organization’s specific business strategy and operation. This supports the relevance of the VMS inside the corporation for the everyday business and ensures the efficiency in applying it. In this way, the VMS management process is part of the “normal” strategic and operational management process and is not a separated process of a separated firm department.

**Core values definition** – VMSZfW does not prescribe a definite set of values but asks for a process inside the corporation to find out about the appropriate values for its mission. This process must start top-down and must be continued bottom-up. Top management has to lead this process and has to involve people from the different levels within the organization, and their representatives.

The declaration of the basic values of a VMS is implemented by a four-step process:

1. **Codification** – Values management is based upon the definition of four types of business values: performance values, cooperation values, communication values and moral values. They must be codified in a written document (Code of Ethics, Mission-Vision-Values Statement, Statement of Principles, etc.);

2. **Communication** – Codified values have to be communicated in the company, among companies and customers, and with regard to the society. Communication is the crucial medium to animate standards of socially responsible conduct. This form of communication is distinguished by the fact that it is integrated into the operative business and its standard routines. Policies and procedures are important communication media because they have consequences for the way the firm acts responsibly;

3. **Implementation** – Implementation can be carried out and audited via compliance and/or values programs. On the one hand, compliance programs strongly focus on the legal aspect of business decisions and employees’ actions. Usually this consists of information of the legal duties and the company’s professed intention to have them fulfilled. Values programs, on the other hand, aim at the values-oriented self-commitment and self-control of the company. Topics such as training, recruiting methods, ‘ethics barometer’, bottom-up assessments and internal ethical auditing are all part of values programs. Law-driven and values-driven programs must be coordinated in order to be successful.

4. **Organization** – While an “Ethics Officer” plays a dominant role in the US context, the German VMS prefers the functional integration into already existing departments of a business. This could be Compliance Officer, Quality Management, Internal Audit departments or a position directly reporting to the top management. All possibilities are productive as long as there is a top management commitment and the willingness of the top management to act as a role model.

**RESULTS**

VMS is a certification and it has already been applied by companies such as ABB, BASF or Fraport (Frankfurt airport).

**REFERENCE**

[www.dnwe.de/2/content/bb_01.html](http://www.dnwe.de/2/content/bb_01.html)

PDF: [www.dnwe.de/2/files/wms_en.pdf](http://www.dnwe.de/2/files/wms_en.pdf)

[http://bas.sagepub.com/cgi/reprint/44/1/74.pdf](http://bas.sagepub.com/cgi/reprint/44/1/74.pdf)

[www.dnwe.de/2/files/200401_eu_report.pdf](http://www.dnwe.de/2/files/200401_eu_report.pdf)

Examples of VMS values:

- Performance values: profit, competence, performance, flexibility, creativity, innovation, quality
- Cooperation values: loyalty, team spirit, conflict ability, openness
- Communication values: respect, affiliation, openness, transparency, communication
- Moral values: integrity, fairness, sincerity, honesty, social responsibility, citizenship
**COUNTRY**
Australia

**WHAT IT IS**
The AS 8003 standard is one of the first in the world focused on the implementation of corporate social responsibility integrated into the company’s policies and culture. It belongs to a set of governance commitments.

AS 8003, as well as other products and services developed by Standards Australia, is published and distributed by the Standards Web Shop to associate companies only.

**AS 8000 Good Governance Principles**
**AS 8001 Fraud and Corruption Control**
**AS 8002 Organizational Codes of Conduct**
**AS 8003 Corporate Social Responsibility (this standard)**
**AS 8004 Whistleblower Protection Programs for Entities**

**ORIGIN**
The Australian standards, developed by Standards Australia International (SAI), are the first global consensus based on Guidelines for Corporate Governance and were developed in a multi-stakeholder initiative. SAI has published all its AS series – AS 8000, AS 8001, AS 8002, AS 8003 and AS 8004 aiming to support the development of organizations and the effective implementation of corporate governance practices.

**OBJECTIVE**
This Standard sets out essential elements for establishing, implementing and maintaining an effective Corporate Social Responsibility Program within an entity and provides guidance in using these elements:

- Provides the process for an entity to establish and maintain a culture of social responsibility through a committed, self-regulatory approach;
- Provides a framework for an effective Corporate Social Responsibility Program, the performance of which can be monitored and assessed.

**CONTENT**
The content of this standard is periodically reviewed, and new editions are published. Between editions, amendments may be issued. The AS 8003 complements some guidelines produced by IFSA (Investment and Financial Services Association), ASX (Australian Securities Exchange) and Corporate Governance Council.

1. **Scope and General**
   1.2 Scope
   1.3 Objective
   1.4 Referenced documents
   1.5 Definitions
   1.6 Regulatory framework

2. **Structural elements**
   2.1 Commitment
   2.2 Corporate social responsibility policy
   2.3 Responsibility
   2.4 Implementation
   2.5 Resources
   2.6 Continuous improvement

3. **Operational elements**
   3.1 Identification of CSR issues
   3.2 Operating procedures for CSR
   3.3 Implementation
   3.4 Feedback system
   3.5 Record-keeping
   3.6 Identification and rectification
   3.7 Reporting
   3.8 Transparency
   3.9 Stakeholder engagement
   3.10 Supervision
   3.11 Policy and procedures on business ethics

4. **Maintenance elements**
   4.1 Education and training
   4.2 Visibility, communication and influencing
   4.3 Monitoring and assessment
   4.4 Review
   4.5 Liaison
   4.6 Accountability
   4.7 Third-party verification

5. **Implementation of the essential elements**
   5.1 Guidelines for structural elements
   5.2 Operational elements
   5.3 Maintenance elements

**REFERENCE**
www.ifap.asn.au/about/csr.html

**COLLABORATION**
Beat Grüninger, Marco Perez
Business and Social Development (wwwbsd-net.com)
Standard Israel - SI 10000
Standards Institution of Israel - SII

COUNTRY
Israel

WHAT IT IS
The SI 10000 standard addresses “social responsibility practices and engagement with the community.”

ORIGIN
The SI 10000 was developed by the Standards Institution of Israel (SII) in 2001.

OBJECTIVE
Specific requirements regarding social responsibility practices and engagement with the community are aimed at enabling the companies to:

• Develop, maintain and strengthen policies and procedures to control their SR actions and interaction with the community;
• Show stakeholders that community-oriented policies and procedures are being complied with pursuant to the standard’s requirements.

CONTENT
SI 10000 sets criteria for the implementation of social responsibility policies and interaction with the community, including the commitment of the top management and employees, resources allocation for social programs, the organization’s environmental impact management, ethics in the business, transparency and accountability, prevention, training and record-keeping mechanisms.

Some standards have served as reference for the development of SI 10000:
SI 1432 – Quality Management and Quality Assurance
SI 4481 – Health and Safety Management Systems in Industry
ISO 9000 series – Quality Management

ISO 14001 series – Environmental Management Systems

STEP BY STEP
1. INTRODUCTION
1.1 Scope and Proposal
1.2 Reference
1.3 Definitions

2. SOCIAL RESPONSIBILITY AND ENGAGEMENT WITH THE COMMUNITY
2.1 Top management Responsibilities
2.2 Resources Allocation
2.3 Workforce Engagement and Responsibilities
2.4 The Work Environment
2.5 Environment
2.6 Ethics in Management
2.7 Transparency and Accountability
2.8 Preventive and Corrective Actions
2.9 Training
2.10 Control
2.11 Record-keeping

REFERENCE
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www.jisc.go.jp/policy/pdf/DrSi%252010000%2520in%
2520English-modified.pdf+%22si+10000%22&hl=pt
BR&ct=clnk&cd=1&gl=br

COLABORAÇÃO
Beat Grüninger, Marco Perez
Business and Social Development
wwwbsd-net.com
COUNTRY
Brazil

WHAT IT IS
It is a Brazilian social responsibility standard of a management system nature with certification purposes.

ORIGIN
Founded in 1940, the Brazilian Association of Technical Standards (ABNT) is the organization responsible for technical standardization in the country, thus providing the necessary basis for the Brazilian technological development. It is a private non-profit organization and a founding member of the International Organization for Standardization (ISO); the Pan-American Standards Commission (Copant) and the Asociación Mercosur de Normalización (AMN).

ABNT, ISO’s official representative in Brazil, established in December 2002 a task force group for the development of a Brazilian Standard on Social Responsibility Management System Requirements.

The project underwent public consultation. The multi-stakeholder Group gathered over 140 registered participants in its discussions, including from private and state-owned companies, government agencies, NGOs, universities, standards specialists, among others.

After two years of work, the Brazilian Standard ABNT NBR 16001 – Social Responsibility Management System Requirements of the Brazilian Association of Technical Standards (ABNT) was published in December 2004, and can be acquired at: www.abnt.org.br.

Currently, besides continuing with the development of the documents complementary to the ABNT NBR 16001, the committee is the Brazilian mirror committee meeting forum for the discussion of national positions to be taken to ISO 26000’s ISO/TMB/WG SR.

OBJECTIVE
This standard sets the minimum requirements regarding a social responsibility management system, which enable companies to design and implement policies and objectives that take into account legal and other requirements, their ethical commitments, and their concerns regarding:

- promotion of citizenship;
- promotion of sustainable development; and
- transparency.

The NBR 16001 aims to provide organizations with elements for an effective social responsibility management system that can be integrated into other management requirements so as to help organizations meet their social responsibility-related objectives. It is neither intended to create non-tariff trade barriers, nor enhance or change an organization’s legal liabilities. It does not establish specific social responsibility performance criteria, but applies to any organization willing to:

- implement, maintain or improve a social responsibility management system;
- guarantee its compliance with applicable laws and with its social responsibility policy;
- support effective stakeholder engagement;
- show compliance with this Standard by:
  - carrying out a self-assessment and issuing a self-declaration of compliance with this Standard;
  - seeking compliance assurance from stakeholders;
  - seeking external assurance for its self-declaration; or
  - seeking certification of its social responsibility management system by an external organization.

The NBR 16001 requirements are generic so they can be applied to all organizations. Its application will depend on factors such as the organization’s social res-
ponsibility policy, nature of its activities, products and services, location, and operating conditions.

**CONTENT**

One of the NBR 16001’s fundamentals is the three dimensions of sustainability – economic, environmental and social. It is based on the PDCA (Plan-Do-Check-Act) methodology. Objectives and goals must be compatible with the social responsibility policy and include (but not limited to):

a) Good governance practices;
b) Elimination of piracy, tax evasion and corruption;
c) Loyal competition practices;
d) Children’s and adolescents’ rights, including elimination of child labor;
e) Rights at work, including freedom of association and collective bargaining, fair compensation, and basic benefits, such as elimination of forced labor;
f) Promotion of diversity and combat to discrimination (e.g. cultural, gender, race/ethnicity, age, people with special needs);
g) Commitment to professional development;
h) Promotion of health and safety;
i) Promotion of sustainable standards of development, production, distribution and consumption, including suppliers, service providers, among others;
j) Protection of the environment and the rights of future generations; and
k) Social actions of public interest.

**SUMMARY**

Foreword
Introduction
1 Objective
2 Definitions
3 Social responsibility management system requirements
   3.1 General requirements
3.2 Social responsibility policy
3.3 Planning
   3.3.1 Social responsibility aspects
   3.3.2 Legal and other requirements
   3.3.3 Objectives, goals and programs
   3.3.4 Resources, rules, responsibility and authority
3.4 Implementation and operation
   3.4.1 Competency. Training and awareness-raising
   3.4.2 Communication
   3.4.3 Operational control
3.5 Documentation requirements
   3.5.1 Miscellaneous
   3.5.2 Corporate responsibility management system guide
   3.5.3 Documentation control
   3.5.4 Record-keeping control
3.6 Measurement, analysis and improvement
   3.6.1 Monitoring and measurement
   3.6.2 Compliance assessment
   3.6.3 Non-compliance and corrective and preventive actions
   3.6.4 Internal audit
   3.6.5 Analysis of the top management
Annex A (informative) Bibliography
Annex B (informative) Other terms

**REFERENCE**

www.abnt.org.br
www.iadb.org/ETICA/Documentos/abn_norma-p.doc
WHAT IT IS

Eco-Management and Audit Scheme (EMAS) is an environmental management system (EMS) as well as ISO 14001 is. It is highly recognized by government and environmental regulatory agencies and an excellent option for some companies that comply with legal requirements and are involved in government programs.

In fact, many companies implement both tools (EMAS and ISO 14001) and keep both the ISO 14001 certification and/or the EMAS registration. According to the EMAS Regulation, the company must disclose its environmental performance in a public statement.

ORIGIN

The EMAS Regulation was launched in 1995 by the European Commission as a management tool aimed at all types of organizations, which allows assessing, improving and reporting on their environmental performance.

CONTENT

In 2001, the EMAS Regulation, which was until then exclusively restricted to companies, had its scope extended to all sectors of economic activity, including NGOs, public organizations, etc., and integrated the ISO 14001 guidelines as the environmental management system required by EMAS.

In 2002, the European Commission adopted a new strategy regarding Corporate Social Responsibility (CSR) aimed at enhancing the companies’ contribution to sustainable development. CSR was then viewed as “the voluntary integration of social and environmental concerns of companies in their operations and interaction with stakeholders”. The strategy was followed by public comments and was published in 2001, in the European Commission’s Green Paper, with the objective of improving CSR knowledge and fostering the exchange of experiences and good practices.

The European Commission’s proposal includes the creation of a multilateral European forum on CSR (CSR EMS Forum) to carry out the external assessment and benchmarking of companies’ social and environmental performance and of existing codes of conduct. The strategy aims to make CSR reliable through the convergence and transparency of CSR practices and tools.

OBJECTIVE

Eco-management systems, as formalized in the ISO 14000 and EMAS Regulation define the method of operation to be adopted by companies willing to achieve an integrated environmental management, thus allowing continuous improvement in their environmental performance.

This operation is carried out only after a verified initial environmental review. In the case of the Audit Scheme (EMAS), this stage is expressly required, this not being the case of ISO 14001. However the ISO 14001 cannot be correctly applied without this previous stage.

EMAS is an important CSR tool, recognized as a key tool for guidance on environmental requirements and for promoting processes innovation and updating.
Therefore, it contributes to the companies’ competitiveness. In this context, the CSR EMS Forum is expected to build on the opportunities to apply the EMAS approach to the social performance of companies and other organizations.

**STEP BY STEP**

An organization willing to benefit from this certification must validate the four stages below:

- **Initial environmental review** – an analysis of the organization’s environmental issues, impacts and performance is carried out in relation to its activities;

- **Establishing an effective environmental management system** on the basis of the review aimed at improving the environmental performance of the organization. An environmental program will describe these objectives and targets, set the pathway to achieve them, and define operating procedures, capacity-building needs and information systems;

- **Internal environmental audits**, considering the implementation of this system, its compliance with the company’s environmental objectives and with applicable environmental laws;

- **Environmental statement**, allowing for the comparison of results achieved against the objectives and the next steps for continuous improvement.

The initial environmental review, management system, internal environmental audits and the environmental statement must be audited by external assurance providers approved by the commission.

Differently from the ISO 14001 requirements, the EMAS Regulation demands the disclosure of an environmental statement including a quantitative summary of the environmental problems assessment.

**REFERENCE**

- www.emas.org.uk
- www.emas.org.uk/aboutemas/mainframe.htm
Det Sociale Indeks (The Social Index)

Ministry of Social Affairs

COUNTRY

Denmark

WHAT IT IS

Det Sociale Indeks is a certifiable social responsibility management tool focused on the relationship between organizations and their employees as one stakeholder group.

ORIGIN

Det Sociale Indeks, or “Social Index”, is a self-assessment tool developed in 2000 by the Danish Ministry of Social Affairs and distributed by the Ministry of Employment. It is an original attempt to offer an evaluation of official and certified practices to the public.

OBJECTIVE

The Sociale Index is the first process tool aimed at private or state-owned organizations of all sizes willing to advance their social responsibility level regarding their workforce. The tool focuses on the dialogue between employees and the organization, giving the latter an opportunity to become certified as a socially responsible workplace, and communicate to the surrounding community the extent of its social responsibility.

The Social Index is an evaluation tool which generally serves the following purposes:

• Evaluating the organization’s status regarding social responsibility;
• Developing specific plans for improvement that can be included in corporate social responsibility strategy;
• Communicating to the society the organization’s social commitment.

The Social Index connects the organization’s general policies, the implementation status, results and follow-up. The tool is flexible and can be adapted to the needs and circumstances of each organization.

By going through the Social Index process, the organization will obtain an overview of its strengths and challenges. The tools can also serve as the basis for future work in the social responsibility field.

CONTENT

The questionnaire aims to assess the compliance level regarding the three SD pillars in actions and policies (answers range from “always” to “never”), the CSR motivation level, the amount of CSR-related activities in the organization, besides assessing the results obtained.

The questionnaire is divided into three parts:

• What we want – assesses the organization’s objectives and intentions when working on social responsibility;
• What we do – assesses the progress;
• What we achieved – compares the results of the organization’s social responsibility practices against objectives. Note: If results are limited, that may mean performance is good despite a modest ambition.

The three parts consist of 18 specific topics that provide the organization with information to define how the Social Index can foster a dialogue process on the different views about the organization’s social responsibility strategy.

The 18 answers are given a score ranging from 0 to 100. At the end of the process the organization will have a diagnosis of its social commitment.

STEP BY STEP

The tool is available free of charge. Its application requires the support and commitment of the high management. Next, a project coordinator is appointed, and a multidisciplinary and representative (including management) working group is selected to discuss different aspects of being socially responsible. This involves the handling of sick leave, balance between work and family life, senior staff policy, capacity-building programs, integration of staff with reduced working capacity, among other issues.

The tool is based on dialogue and gives the employees across the organization the opportunity to discuss how the organization deals with social responsibility and to build a future vision on the theme.

Certification is not a prerequisite to use the Social Index. The organization seeking certification must send...
the questionnaire to the Det Social Indeks Secretariat followed by external assurance (including visits to the organization for analyses, interviews with employees and managers, documentation inspections and observation, and the final independent assessment of the 18 topics of the questionnaire answered by the organization). If the documentation proves satisfactory, the certification requirements are met, and the organization scores between 60 and 100, it is awarded the right to use the Social Index label for three years.

If the organization does not wish to go through the process, the Social Index can serve as inspiration, but experience has shown that the dialogue with stakeholders is beneficial to the organization, because it enhances understanding and provides a basis for identifying the initiatives that can improve the organization’s social performance. The tool is based on dialogue and provides the workforce with the opportunity to discuss about the organization and improve its results in the CSR/SD field.

REFERENCE

www.detsocialeindeks.dk
www.detsocialeindeks.dk/extweb/dsi/dsi.nsf/DocNo-eng-01-02-01
WHAT IT IS
A voluntary auditable and certifiable standard that enables the assessment of the organizations’ ethical and responsible management and establishment of a management system.

ORIGIN
The Forum for the Evaluation of Ethical Management – Forética is a non-profit association founded in Barcelona, Spain, in 1999, with the mission of fostering an ethical management culture and social responsibility within the organizations. It gathers several professional people, scholars, companies and NGOs devoted to rendering services and to the development and improvement of social responsibility management tools for organizations of all sizes and sectors.

Launched in 1999, the Business Standards SGE 21 was one the first initiatives of Forética and has become the basis for the first European Ethical and Social Responsibility Management System (SGE)1, which allows companies to voluntarily obtain certification.


OBJECTIVE
Introducing ethical and auditable values in the management areas of an organization of any size or sector willing to make social commitments, and allowing the assessment and verification of such commitments made by the top management regarding social responsibility.

The standard presents criteria that allow establishing, implementing and assessing the organizations’ Ethical and Social Responsibility Management System as proposed by Forética, which, in turn enables organizations to manage (planning, monitoring and assessing), according to their values, their relations with all stakeholder groups. The system ensures the strategic integration of organizational values into the operations by focusing on processes, assessments and improvement plans.

CONTENT
Forética’s SGE 21 is part of a series of standards aimed at assessing ethical management. It belongs to the SG20 Business series. It is based on core values embraced throughout the organization, which comprise the organizational culture and are the starting point for the strategic reflection.

Strategic Planning Process
- Mission
- Vision
- Values
- Objectives
- Strategic Approaches

Code of Conduct

CSR POLICY

CSR Committee

It is organized in 9 Management Areas and their subsequent protocols and requirements, according to the organization’s values and social responsibility policy.

The implementation of each Management Area is objectively assessed and can, therefore, be audited. They are shown below:

**STEP BY STEP**

The SGE 21 can be used by organizations of all sizes, ranging from very small to large multinational organizations. It can be implemented throughout the organization in an integrated manner, by implementation levels (being the Ethical Management certification the most prestigious one) or by management areas.

The system is totally compatible with ISO 9000:2000 and ISO 14000, allowing for joint audits and cost reduction.

The system must be periodically reviewed and assessed to ensure continuous improvement.

- **Internal audit** – qualified auditors are appointed to assess compliance with the standard and develop improvement plans, which are submitted to a social responsibility committee.

The organization can choose to have either an annual audit or compliance assessment:

- **External audit** – performed by a quality and environmental certification body accredited by ENAC and acknowledged by Forética. The audit report is reviewed by a certification committee appointed by the Forética Technical Board, including Forética members (president, CSR expert and technical area), the certification body involved in the process, another official certification body, and an NGO. If compliant, Forética will issue the Ethical and Social Responsibility Management Certificate. This seal is annually reviewed through follow-up audits and every three years through a thorough audit.

- **Compliance assessment** – third-party evaluation with no certification purpose. It can be made by a certification body or a consultancy firm acknowledged by Forética. It is aimed at informing the system’s operation level, allowing the top management to establish improvement plans in order to meet its social responsibility policies objectives.

**REFERENCE**

[www.foretica.es](http://www.foretica.es)  
COUNTRY
USA

WHAT IT IS
It is an auditable and certifiable occupational health and safety management system specification.

ORIGIN
The OHSAS 18001, whose acronym means Occupational Health and Safety Assessment Series, became effective in 1999, after studies carried out by a group of certification bodies and standardization entities from Ireland, Australia, South Africa, Spain and Malaysia.

OBJECTIVE
The purpose of this standard is to help companies in the control of employees' health and safety risks. The OHSAS 18001 is a standard for Occupational Health and Safety (OH&S) management systems. The certification by this standard ensures the company's commitment to reducing environmental risks and continuously improving its employee's performance in occupational health and safety.

The development of this standard has taken into account some existing national standards, such as the BS 8800, from England. The standard is based on the concept that an organization must periodically assess and evaluate its OH&S management system, so as to identify areas for continuous improvement and implement the necessary actions. For this reason, it does not establish definitive requirements for Occupational Health and Safety performance, but it demands that the organization fully comply with applicable laws and regulations and commit to the continuous improvement of processes.

For not setting strict standards, two organizations developing similar activities, but with different levels of OH&S performance, can meet the standard's requirements.

CONTENT
OHSAS 18001 has been developed to be compatible with the ISO 9001 (Quality) and ISO 14001 (Environmental) management systems standards.

These standards were based on the Deming cycle (or PDCA cycle), through which actions are performed seeking continuous improvement.

The OHSAS 18000 comprises a management system that integrates:
- commitment to following a risk management policy;
- identification and assessment of risk factors and areas;
- identification of objectives and programs;
- capacity-building;
- implementation of control processes;
- preparation of emergency situations;
- establishment of surveillance procedures;
- implementation of accident prevention measures;
- establishment of a regular verification procedure.

STEP BY STEP:
The certification procedure is implemented in three stages:
- pre-assessment carried out by the certification body;
- evaluation of documentation provided by the organization;
- certification audit to evaluate and verify the effective implementation of procedures by the organization.

REFERENCE
www.osha.gov
www.osha-bs8800-ohsas-18001-health-and-safety.com
http://emea.bsi-global.com/OHS/index.xalter
Social Accountability 8000

Social Accountability International – SAi

COUNTRY

USA

WHAT IT IS

The SA8000 Standard is an auditable certification standard based on international workplace norms aimed at improving working conditions.

ORIGIN

It was launched in 1997 by former Council on Economic Priorities Accreditation Agency (CEPAA), currently called Social Accountability International (SAI), a North American non-governmental organization, which became responsible for its development and supervision. Developed, reviewed and updated through dialogue with all the stakeholders, SA800 is the first international standard aimed at one corporate social responsibility aspect, and was reviewed in 2001.

OBJECTIVE

SA8000 is increasingly recognized worldwide as a system for implementation, maintenance and verification of humane working conditions and assurance of workers’ rights. It is designed especially for companies that own purchasing or production units in countries where it is necessary to assure that products are ethically made.

CONTENT

The SA8000 follows the ISO 9000, but its requirements are based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

A summary of the Standard elements follows:

- Child labor
- Forced labor
- Health and safety
- Freedom of association and right to collective bargaining
- Discrimination
- Discipline
- Working hours
- Compensation
- Management systems

STEP BY STEP

Organizations have two options for SA8000 implementation:

1. Certification to SA8000

Certification is the process by which facilities submit to an independent audit against the SA8000 Standard. If a facility meets the Standard, it will earn a certificate attesting to its social accountability policies, management, and operations. Companies that operate production facilities can seek to have individual facilities certified to SA8000 through audits by one of the accredited certification bodies. SA8000 certification is conducted by organizations accredited and overseen by SAI’s own auditors. Both certified and accredited organizations undergo semi-annual review and revisits.


2. Corporate Involvement Program (CIP)

Companies that focus on selling goods or combine production and selling can join the SA8000 Corporate Involvement Program. The CIP helps companies evaluate SA8000, implement the SA8000 Standard, and report publicly on implementation progress. There are two levels of the CIP:

- SA8000 Explorer (CIP Level One): Evaluate SA8000 as an ethical sourcing tool via pilot audits.
- SA8000 Signatory (CIP Level Two): Implement SA8000 as a step-wise approach in some or all of the supply chain through certification and communication of the implementation progress to stakeholders via SAI-verified public reporting.

Launched in 1999, the CIP has attracted entities representing more than $100 billion in annual revenue. Program benefits include training courses for managers, suppliers and workers, technical assistance in implementing SA8000, and the right to use the SAI and SA8000 logos to communicate with stakeholders.


REFERENCE

www.sa-intl.org
SD 21000

Association Française de Normalisation - AFNOR

COUNTRY
France

WHAT IT IS
SD 21000 represents the French contribution to the international debate on the standards for sustainable development organized by ISO bodies. In so far as this is not a standard, the guide is classified in the legal category of documentary fascicles.

ORIGIN
AFNOR was founded in 1926 and is a state-approved organization under the administrative supervision of the Ministry of Industry. It has a membership of approximately 3000 companies. AFNOR is the French member of CEN and ISO.

In order to develop this consensus document, 80 persons representing the set of economic world (employers, trade unions, associations, public sector) worked for two years (2001-2003). The authors of SD 21000 wanted to help corporate managers to identify the challenges of sustainable development in strategy and business management.

OBJECTIVE
“The SD 21000 is not a recipe for the implementation of sustainable development, but rather a didactic document of sensitization that provide business managers with good questions. It supports strategic thinking that allows the identification of ‘significant’ challenges and the establishment of measures to advance the control of stakeholder relations, and the integration of management and information systems (assessment, indicators, reporting). It is based on a transaction mechanism on challenges that are not exclusively economic.”

The guide seeks to address two issues:
• Help businesses to implement sustainable development strategies.
• Organize a system for strategic transaction with external stakeholders and develop actions based on significant challenges.

CONTENT
The SD21000 puts forward recommendations to help management systems to adapt both technically and culturally, so that the objectives of sustainable development are gradually integrated into the heart of the organization.

The initial strategic approach put forward by the SD21000 will bring out many potential challenges for the organization and the need to analyze the organization's own risks. This opportunity will enable the organization to identify the most significant challenges.

Then, the organization will be able to define its vision, strategy, policy and goals to draft its multi-annual program. Its action plan will follow as a result. Actions will be monitored and assessed, and the impacts of the significant challenges will be measured and communicated to the stakeholders.

The diagnostic tool is “computerized”.

A five-day follow-up will enable the organization to get familiar with sustainable development and develop a relevant action plan and a capacity building program adapted to local actors.

STEP BY STEP
The first stage aims at initial thoughts about how to develop the organization’s strategy taking into account its global effects on the life and operation of companies.
The second stage aims at operationalization, making recommendations to help the organization to set its SD goals, integrating management into CSR goals.

IDENTIFYING CHALLENGES
- Sustainable development principles
- Good sectoral practices
- Regulations and standards
- Stakeholder expectations

CSR STRATEGY
Choices and priorities:
- Significant challenges
- Organization’s vision and values

POLICIES
- Program
- Action
- Goals
- Indicators

OPERATIONALIZATION
- Management system
- Action plan
- Capacity building
- Communication
- Control table

REPORTING
- Assessment and communication of performance
- Feedback to stakeholders
- Continuous improvement
- Updating the identification of challenges

The reporting initiative – inform potential investors about the different results of the organization, as well as taking into account the stakeholders, whether jeopardized or beneficiaries – make up the two axes of the tools formatted to reach sustainable development. Accountability is no longer an obligation, but a need and an indispensable belief with regard to the way society operates.

RESULTS
One year after its launch 200 companies were mobilized in nine regions.

TIP
The Guide to the identification and prioritization of the issues surrounding sustainable development (FD x 30-023) is a document to help bring the SD21000 into operation by identifying and prioritizing the sustainable development challenges.

It has a methodology based on the organization’s existing piloting tools that allows the following:
- Identifying sustainable development challenges;
- Prioritizing these challenges in terms of risks and opportunities;
- Considering the organization’s level of maturity regarding the different sustainable development challenges, as well as the level of maturity regarding business practices;
- Implementing actions to build a sustainable development strategy and develop a continuous improvement program;
- Drafting the adapted plan on priority actions;
- Discussing the issue with internal and external stakeholders.

The method is based on a list of 34 challenges that cover the range of sustainable development issues.

The Local Communities version of the SD21000 (AFNOR AC X30-022) aims to help the local communities get familiar with the concept. Its objectives are:
- Creating awareness in communities of the principles and challenges of sustainable development
- Fostering reflection on the integration of sustainable development principles;
- Gathering methods and tools to apply a lasting development initiative.

This guide is especially aimed at actors that will boost the initiative and have power of decision and strategic guidance, as well as those who will contribute to applying the initiative.

Effectively, sustainable development is a participatory initiative that mobilizes the energies of all actors in all levels.

REFERENCE
- www.afnor.org/developpementdurable/default.html
- www.afnor.org/developpementdurable/normalisation/referentiels.htm
- www.afnor.org/developpementdurable/normalisation/sd21000.htm
Q-RES
Center for Ethics, Law & Economics – CELE

COUNTRY
Italy

WHAT IT IS
Management model for corporate social and ethical responsibility that can be adapted to private companies, public organizations and associations, based on the concept of strategic, fair and efficient management of stakeholder relations. Principles of business ethics (*)

(*) Business ethics suggest that a balancing criterion may take the form of a fair and efficient ‘social contract’ between the company and all stakeholders. The social contract is not a real contract; rather, it is an ideal one: it is a touchstone. It is grounded on a concept of justice whereby what is fair is what people rationally and consensually accept with unanimity.

To reach a fair agreement, the following conditions must be satisfied:
• The interests of all parties must be considered;
• All parties must be informed and not deceived;
• No one must have been or be subject to abuse of power or embarrassment; and
• Agreement must be reached on a voluntary basis through rationality.

ORIGIN
Designed in 1998 by the Center for Ethics, Law & Economics (CELE) of the University Castellanza (Varese, Italy), the system was developed by a working group (Q-RES Table) comprising companies, consulting firms, and NGOs whose objective is to create management tools to foster corporate social responsibility and ethics.

Q-Res engaged in constructive dialogue with the representatives of similar initiatives in Europe, such as SIGMA Project and AA1000 in the UK, and the ValuesManagementSystem in Germany, as well as with the Italian Government and European Commission institutional representatives, with a view to promoting a think tank for the development of a European standard.

The Q-RES Guidelines for applying the tool were launched in 2001. In 2002 and 2003 the first version of the Q-RES Standard (certifiable) was drafted, translating the Q-RES Management System into a standard certifiable by independent bodies. It is currently undergoing a consultation process.

OBJECTIVE
The Q-RES project aims to develop a quality corporate social and ethical responsibility standard that can be certifiable and able to safeguard an organization’s social and ethical reputation, besides building trust in stakeholder relations. The idea is that companies known as socially and ethically responsible can enjoy better relations with their stakeholders and have a competitive edge in terms of reputation, trust and credibility.

CONTENT
The document Q-RES Guidelines, published in 2001, describes six tools to manage social and ethical quality of organizations:

1. Corporate Ethical Vision
Defines the organization’s concept of justice that sets the basis for the responsible behavior it must pursue in its relations with stakeholders. It expresses the concept of a social contract between the company and its stakeholders and sets a balance point impartially acceptable to everyone, through which each stakeholder can freely decide to contribute or at least not to hinder the mission achievement.

2. Code of Ethics
Set of principles, rules and parameters to measure and evaluate issues related to the discretionary power and corporate governance. It seeks to protect the stakeholders by acknowledging the non-abusive exercise of discretionary power, extending the governance rules that apply to the relations with shareholders and investors to the wider relations of the company with all its stakeholders, and providing stakeholders with a basis for their judgments on the company’s reputation, therefore building trust in the relations between the company and its stakeholders.

3. Ethical Training
It aims to create the conditions to enable corporate members to understand the organization’s ethical rules and principles. Ethical training seeks to predict conflict zones (individual/company) and create a dialogue to favor alignment of the workforce with the codes of conduct and corporate rules. It prepares employee to be able to identify and solve ethical dilemmas in the workplace.
4. Organizational Systems of Implementation and Control

These constitute the “ethical infrastructure” that supports the implementation of social and ethical responsibility, ethical performance improvement and monitoring. The guide defines two processes to be followed:

- The bottom-up process aims to evaluate ethical-social performance through the Balanced Scorecard (BSC), adjusted and adapted. The BSC encompasses four dimensions of organizational performance: finance, clients, internal processes, learning and development, each one with policies, objectives and strategies defined in the system. It could be used to measure the company social and ethical performance (or sustainability) by incorporating these issues into the system’s dimensions. Therefore, the BSC could become a CSR management tool.
- The top-down process concerns the evaluation of and improvement in risk control, risk management and corporate governance processes associated with ethical issues through internal auditing.

5. Social and Ethical Accountability

It aims to inform the stakeholders on the organization’s CSR performance, enhancing the scope and transparency of corporate communication. Several report models and approaches that make use of the triple bottom line are referenced in the Q-RES: GRI, The World Business Council for Sustainable Development, AccountAbility, etc.

6. External Verification

Verification by an external auditor adds more credibility and value to the company’s CSR statement. The auditor assesses compliance with Q-RES guidelines and tools, according to the excellence criteria offered. The most relevant normative references for the Q-RES are the SA8000 and the AA1000.

For each management tool in the Q-RES model, the Guide presents: definition, function, content, development methodology, auditing evidence, and excellence criteria for the adoption of social and ethical responsibility. In addition, the CSR model described in the Q-RES Guidelines was developed taking into account the observation and verification of the company’s practices by the stakeholders.

Registration to the Standard can occur in two different ways:

1. Registration to the Q-RES Table

Forum to discuss and scientifically develop CSR principles, methodologies and tools by presenting the results and proposals resulting from the team’s researches and sharing of experiences among participating organizations. The Q-RES Table is open to public and private companies, associations, NGOs and social service providers in the CSR field that share the Project’s Mission and intend to contribute to the maintenance of the research program carried out by the Q-RES group.

The activities aim at:

- Reviewing the Q-RES Guide and Standard according to the results of ongoing researches, funded by the European Commission, on the development of a common CSR management standard, carried out in partnership with the SIGMA Project, AccountAbility and the University of Constanza;
- Refining the tools of the Q-RES management system in light of the experience of companies participating in the pilot projects;
- Submitting the Q-RES Standard to audit and future certification processes;
- Fostering awareness and adoption by companies and associations of the Q-RES Guidelines

2. Development of a pilot project

The Q-RES team can be hired by the organization to develop a pilot project, which in turn will lead to the adoption of and/or improvement in one or more tools provided by the Q-RES Management System (code of ethics, social accountability, ethical training, external verification, etc.).

Typically, a pilot project includes the following activities to be carried out by the Q-RES team:

- Gap Analysis – to develop an operational plan to implement or improve the existing Q-RES tools in the organization;
- Support to tools planning according to the Q-RES Guidelines;
- Support to Q-RES tools development;
- Verification of tools application based on the Q-RES Standard.

The development of pilot projects depends on specific agreements between the Q-RES team and the organization, which will define the level and type of involvement of the Q-RES team.

RESULTS

During the activities of the Q-RES Project, pilot projects have been started with the following companies: ENEL Coop Consumers, The Northeast Freeways for Italy.

REFERENCE

[www.qres.it](www.qres.it)  
[www.liuc.it](www.liuc.it)  
[www.liuc.it/ricerca/cele/qres.pdf](www.liuc.it/ricerca/cele/qres.pdf)
COUNTRY
Japan

WHAT IT IS
The ECS 2000 is a standard that aids and supports the establishment of ethical compliance management systems in corporations and other organizations, according to the principles of Human Rights, Freedom and Interdependent Prosperity (zenpozen) within the market economy.

Human rights and freedom are the basic principles of democracy, without which a capitalist economy becomes impossible.

ORIGIN
The Japan Society for Business Ethics Study was established in 1993, 15 years after the creation of the Society for Business Ethics in the United States.

The Japanese society established a Business Ethics Research Center to guide businesspeople in the introduction of ethical programs in their companies. This work resulted in 1999 in the first Standard for Business Ethics in Japan – the ECS 2000.

OBJECTIVES
This standard aims to enable organizations to find better ways to prevent unfair business practices and illegal behavior by their own board members, which violate the Code or Policy of Ethics. Therefore, it enables the identification of these violations and the people responsible for these actions. In order to achieve it, it is necessary to:

• Establish and manage an ethical-legal compliance management system
• Create an internal ombudsman (collection of suggestions and criticism) for stakeholders and also create a Code of Ethics (in case there is not one) and a work philosophy.

CONTENT
The basic framework of this standard can be described in four stages:

1st) The Policy of Ethics to be pursued by each organization is clarified and the Code of Ethics (or legal compliance manual), Planning and Internal Regulations required to accomplish this policy are developed.

2nd) An individual or department is appointed to take the primary responsibility for ethical-legal compliance, and training and communication initiatives are carried out under their direction.

3rd) The organization undertakes independent audits to ensure that the organization’s members correctly understand the ethics policy and the code of ethics, and that the office of ethical-legal compliance and the ombudsman are functioning in an appropriate manner. The audits are disclosed.

4th) Based upon the results of this audit, potential areas of reform are identified and implemented. This would include, for example, revisions of the Code of Ethics, improvement in Education Programs, and responses to suggestions received through the ombudsman.
4.2.1. Ethics Compliance Policy
4.2.2. Disclosure of Ethical-Legal Compliance Policy and Development of Manuals

4.3. PLANNING
4.3.1. Implementation Plan
4.3.2. Legislation and Other Related Regulations and Rules
4.3.3. Internal Regulations

4.4. IMPLEMENTATION AND OPERATION
4.4.1. Structure and Responsibility
4.4.2. Training and Capacity Building
4.4.3. Communication
4.4.4. Ethics Compliance Documentation System
4.4.5. Documentation Control
4.4.6. Operational Control
4.4.7. Emergency Preparedness and Response

4.5. AUDITING (CHECKING) AND CORRECTIVE ACTION
4.5.1. Monitoring and Evaluation
4.5.2. Corrective and Preventative Action
4.5.3. Records
4.5.4. Ethics Compliance Management System Auditing

4.6. MANAGEMENT REVIEW

4.7. DRASTIC REFORM SYSTEM FOLLOWING EMERGENCY SITUATIONS

RESULTS

Supported by the ECS 2000 and the effort of several Japanese companies for the “development of business ethics programs”, due to the global demand and requirements, the Japanese organizations had their corporate governance structures renewed, giving more emphasis on the Business Ethics.

The Japanese government also enacted the Whistleblower Act, and revised the internal control systems of Japanese companies.

The great change was quickly felt in the stakeholder relations, which was previously characterized by major scandals in the 1970s and 90s. A good example is consumers, who normally never accused large corporations. Nowadays this occurs more often.

REFERENCE

Business Ethics & Compliance Center
Reitaku University
http://ecs2000.reitaku-u.ac.jp
www.seattleu.edu/asbe/abei/papers%20for%202006%20conference/Nobuyuki%20Demise.pdf

COLLABORATION

Beat Grüninger, Marco Perez
Business and Social Development
www.bsd-net.com
AA 1000
Institute of Social and Ethical Accountability - ISEA

COUNTRY
United Kingdom

WHAT IT IS
Certifiable international standard consisting of processes and principles focused on stakeholder engagement.

ORIGIN
The standard, the first international CSR management standard, was launched in 1999 by the ISEA – Institute of Social and Ethical Accountability, a non-governmental organization based in London. The organization was established in 1995 to promote accountability innovations that advance responsible business practices, and the broader accountability of civil society and public organizations. Its 350 members include businesses, NGOs and research bodies, and elect their international Council, which includes representatives from Brazil, India, North America, Russia, South Africa and Europe.

In 2005, AccountAbility launched a second AA1000 Series module, the AA1000SES – Stakeholder Engagement Standard. The most recent module of the AA1000 Series, this tool brings many practical considerations on stakeholder engagement and formats a dialogue process. The principles applied in this process are: Inclusivity, Materiality, Completeness and Responsiveness.

OBJECTIVE
The AA 100 Series define best accountability practices so as to ensure the quality of accounting, audit, and ethical social reporting of all types of organizations (public, private, and NGOs of all sizes). The AA1000 process standards integrate the definition and integration of organizational values into the development of performance goals, and into the assessment and communication of organizational performance. Through this process, focused on stakeholder engagement, they link social and ethical issues to strategic management and business operations.

Stakeholder engagement is the key point of AA1000. Through stakeholder engagement the organization will prioritize critical points to be addressed, determine indicators and set goals, and choose the reporting system that better suits the company.

The series favors organizational learning and innovation. It brings benefits to overall performance – in the social, ethical, environmental and economic aspects – and helps organizations to move towards sustainable development.

The standard is certifiable, but does not define certification or actual performance patterns. It specifies the process to be followed in performance reporting, but not the desirable performance levels. Therefore, the standard does not attest ethical and socially responsible behavior of an organization, but assures that it acts according to its mission and values, and pursues the goals defined further to dialogue with stakeholders.

Some of the most important contributions of AA1000 are the processes and definitions that support Corporate Social Responsibility practice. Innovation in the way to adopt rules is encouraged, allowing every company to define its own path. This gives more responsibility to the companies. Complying with this standard has been seen as a guarantee for shareholders and other stakeholders that there is consistency in the company’s actions.

CONTENT
The AA1000 Series is comprised of AA1000 Framework, AA1000AS – Assurance Standard e AA1000SES – Stakeholder Engagement, Guiding Notes and User Notes.

The standard introduces the main CSR-related topics, the diverging and converging points with other standards such as ISO, SA 8000 and GRI.

The AA1000 Framework contains processes and principles for reporting, accountability and auditing. There are 11 quality principles that should be pursued by
the organization, grouped by reference area:

I. Scope and Nature of the Organization’s Process

1. Completeness – unbiased inclusion in the accounting processes over time of all appropriate areas of activity relating to the organization’s social and ethical performance.

2. Materiality – inclusion of significant information that is likely to affect one of more stakeholder groups and their assessment of the organization’s social and ethical performance.

3. Regularity and Timeliness – need for regular, systematic and timely action of the social and ethical accounting, assurance and reporting process to support the decision making of the organization and its stakeholders.

II. Meaningfulness of Information

4. Quality Assurance of Data – assurance of an organization’s process by an independent and competent third party (Assurance Provider) or parties.

5. Accessibility – appropriate and effective communication to the organization’s stakeholders of its social and ethical accounting, assurance and reporting process and its performance.

III. Information Quality

6. Comparability – ability to compare information on the organization’s performance with previous periods, performance targets, or external benchmarks drawn from other organizations, statutory regulation or non-statutory norms.

7. Reliability – characteristic that allows the organization and its stakeholders to depend on the information provided by the social and ethical accounting and reporting to be free from significant error or bias.

8. Relevance – usefulness of information to the organization and its stakeholders as a means of building knowledge and forming opinions, and for assistance to decision making.

9. Understandability – comprehensibility of information to the organization and its stakeholders, including issues of language, style and format.

IV. Management of the Process on an Ongoing Basis

10. Embeddedness – or systems integration, concerns making the social and ethical accounting, assurance and reporting processes part of the organization’s operations, systems and policy making, and not treated as a one-off exercise to produce a social and ethical report.

11. Continuous improvement – recognized and externally assured steps taken to improve performance in response to the results of the social and ethical accounting, assurance and reporting process.

STEP BY STEP

The AA1000 can be used as an independent tool or in conjunction with other accountability standards, such as the Global Reporting Initiative (GRI), the ISO standards and the SA 8000.

The process itself follows a defined activity cycle with 5 elements:

- Planning
- Accounting
- Auditing and Reporting
- Embedding
- Stakeholder Engagement

It is important to mention that the sequence of the steps described in the process does not have to be chronological.

The assurance follows the entire process, according to the model suggested by ISEA. The assurance includes the principles of the AA1000S Assurance Standard: Completeness, Materiality, Responsiveness, Accessibility and Evidence.

In cooperation with the IRCA – International Register of Certified Auditors, ISEA certifies professional sustainability auditors whose auditing practice follows the specific AA1000 Series standard, the AA1000AS – Assurance Standard.

REFERENCE

www.accountability.org.uk
www.accountability21.net
www.accountability21.net/aa1000/default.asp
www.accountability21.net/aa1000/default.asp?pageid=286
British Standard 8555 – BS 8555
The Acorn Trust

COUNTRY
United Kingdom

WHAT IT IS
Set of environmental management standards focused on SMEs (Small and Medium-Sized Enterprises)

ORIGIN
Created by the Acorn Project, a national project established to help small and medium-sized enterprises to grow and develop their environmental performance standards, built from business-specific needs. The project was managed by The Acorn Trust, a foundation that aims to make environmental management accessible and profitable for SMEs. The foundation is formed by UK government representatives, trade associations, non-governmental organizations, small and medium-sized enterprises, and environmental consultants. The standard was launched in April 2003 with the support of the English Department of Trade and Industry and the Department for Environment, Food and Rural Affairs. A national certification process by the BS8555 is being studied by The Acorn Trust.

OBJECTIVE
Phased implementation of an environmental management system aimed at continuous improvement. Following through all the phases could lead organizations to being in a position to be assessed against ISO 14001 or EMAS (EU Eco-Management and Audit Scheme),

CONTENT
The implementation process can be undertaken in up to six separate phases and allows for phased acknowledgement of progress towards full ISO 14001 EMS implementation.

STEP BY STEP
The tool is available online and can be accessed free of charge. SMEs can use the Acorn Scheme to carry out a phased process (six phases altogether) to implement environmental management practices. Implementation of all six phases is not mandatory.

The six phases of BS 8555 are:
1. Commitment and establishing the baseline
2. Identifying and ensuring compliance with legal and other requirements
3. Developing objectives, targets and programs
4. Implementation and operation of the EMS
5. Checking, audit and review
6. EMS Acknowledgement (getting ISO 14001 and/or EMAS)

The organization can be inspected by its main clients or by third parties after implementing all of the stage profiles of a given phase before progressing to the next phase. This will assure all requirements of each phase have been met. In phase 1, the organization can decide for an additional audit to check compliance with ISO 14001 or EMAS.

The tool also proposes the mentoring partnership method, through which a large corporation monitors the SME in its initiatives. This method concerns mainly SMEs that wish to implement an environmental management system by pressure of or as a result of a request from a major client (supply chain).

REFERENCE
www.theacorntrust.org
www.theacorntrust.org/in_method_intro.shtml
www.theacorntrust.org/free_register.shtml
http://epi-tool.theacorntrust.org
PHASE 1 – Commitment and establishing the baseline (see Figures 2 to 9)

PHASE 2 – Identifying and ensuring compliance with legal and other requirements (see Figures 10 to 15)

PHASE 3 – Developing objectives, targets and programmes (see Figures 16 to 23)

PHASE 4 – Implementation and operation of the environmental management system (see Figures 24 to 30)

PHASE 5 – Checking, audit and review (see Figures 31 to 36)

PHASE 6 – Environmental management system acknowledgement (see Figures 37 to 42)

Second Party auditing and supply chain acknowledgement (see introduction)

Preparing for EMAS registration (see Phase 6, stages 2 to 6)

Preparing for external management system assessment (BS EN ISO 14001) (see Phase 6, Stage 1)
British Standards 8800 – BS 8800
British Standard Institution – BSI

COUNTRY
England

WHAT IT IS
Auditable and certifiable English standard focused on occupational health and safety management systems.

ORIGIN
Developed by the British Standard Institution (BSI), British organization in charge of elaborating and publishing standards, it was first published in 1996 as BS 8750. It is considered as the most updated standard in the world for the implementation of an effective system to manage issues related to accident prevention and occupational diseases. Its new acronym will be ISO 18000, when globally approved by the International Organization for Standardization in international committees and workshops, such as the one scheduled for Geneva, Switzerland. Several countries, including Brazil, are holding preparatory events and discussing the issues in sectoral chambers in order to clarify and consolidate their standpoints on the issue.

OBJECTIVE
Implementation of an effective system to manage issues related to accident prevention and occupational diseases

CONTENT
The BS 8800 standard prescribes an Occupational Health and Safety Management System compatible with the ISO 14001 and based on the same tools of the PDCA (Plan-Do-Check-Act) continuous improvement cycle. This compatibility allows the unification of both standards and the integration with ISO 9000 Series standards, providing the company with a powerful management tool.

STEP BY STEP
The purchase can be made online. The publication is also available.


Necessary steps for a certification:
1. Top management commitment.
2. Selection and appointment of a coordinator.
3. Establishment of the coordination committee.
4. Training.
5. Development and disclosure of safety policy.
6. Lecture on quality to the entire workforce.
7. Continuous diffusion of the safety issue.
8. Study on the standard's requirements and the company diagnosis on each of them.
9. Work plan to meet each of the standard's requirements.
10. Establishment of working groups including the workforce to develop the labor instructions.
12. Training the workforce on the documentation.
13. Qualification of the internal safety auditors.
15. Implementation of corrective actions for non-conformities.
16. Selection of standards organization.
17. Pre-audit (simulated assessment).
18. Certification audit.

REFERENCE
www.bsi-global.com
Download em português http://br.geocities.com/acisbr/bs8800.htm
British Standards 8900 – BS 8900
British Standard Institution – BSI

**COUNTRY**
England

**WHAT IT IS**
This is not a management system standard. It is a set of guidelines, with no certification purposes, for organizations of all sizes, types and sectors, on the options for managing sustainability through balancing the social capital and the environmental and economic capitals of the business, focusing on continuous performance improvement and accountability.

**ORIGIN**
BSI – British Standards Institution – launched in England the first world standard on Sustainable Development Management. The new guidelines will help organizations to build a balanced and lasting approach to economic activity, environmental responsibility and social progress.

**OBJECTIVE**
Mike Low, Director of BSI British Standards said: “This standard is an important step towards helping organizations realize a sustainable future, whilst maintaining business performance. A successful approach to managing sustainable development will help ensure that an organization makes high quality decisions that promote continuing and lasting success. These decisions often relate to an organization asking itself the following questions:

- How can you be sure no groups or individuals are disadvantaged or kept in the dark?
- How do you deal with others with integrity?
- Will organizational decisions lead to irreversible environmental or societal change?
- How do you make certain that relevant and reliable information is available in an accessible, low-cost and comparable way?
- How are significant interests, influences and beneficiaries recorded, communicated and managed?”

The Sustainable Development Maturity Matrix presented in the BS 8900 helps organizations to answer such questions by providing a means of tracking performance against criteria and continually working towards improvement in each area.

The BS 8900 also contributes to the development of the future ISO 26000. The English standard is aligned with the main resolutions already approved for the future ISO 26000, as follows: it will not be a certification standard, will not have a management system nature, and will be applicable to all types of organization. The

**CONTENT**
The BS 8900 is based on the construction of learning and on the implementation of decision-making structures in organizations to make them more sustainable. The standard sets the results the organization should reach, but not the processes it must follow, and points out the ways to identify the organization’s sustainability maturity, so that its current status can be measured and its progress graphically represented.

**Presentation**
0 Introduction
  0.1 Miscellaneous
  0.2 Results

1 Scope

2 Terms and definitions

3 Principles of sustainable development

4 Putting sustainable development into practice
  4.1 The organization
  4.2 Identification of issues
    4.2.1 Miscellaneous
    4.2.2 Identification of stakeholders
    4.2.3 Stakeholder engagement
    4.2.4 Further considerations
  4.3 Organization’s capacity
    4.3.1 Miscellaneous
    4.3.2 Resources allocation
    4.3.3 Competence building
  4.4 Management
    4.4.1 Miscellaneous
    4.4.2 Assessment of risks and opportunities
    4.4.3 Identification of performance indicators
    4.4.4 Achievement of progress
  4.5 Critical analysis
    4.5.1 Miscellaneous
    4.5.2 Critical analysis of the strategy
    4.5.3 Critical analysis of the operations
    4.5.4 Follow-up
  4.6 Building trust

5 Sustainable development maturity matrix

**REFERENCE**
www.bsi-global.com/British_Standards/sustainability/index.xalter
www.qsp.org.br/bs8900.shtml
Good Corporation Standard
A Good Corporation Ltd.

COUNTRY
United Kingdom

WHAT IT IS
It is a certification distributed by a private company – Good Corporation – to organizations that disclose socially responsible practices and improvements in social, ethical and environmental issues, according to a set of defined criteria.

ORIGIN
Good Corporation Ltd. was founded in 2000 by a group of former partners and directors of KPMG Consulting. It is a for-profit company that gives 5% of its profits to good causes, and is supported by representatives of trade unions and not-for-profit organizations, as well as large and small businesses. Good Corporation is headquartered in London, UK, but has a network of local partners across the world. The Good Corporation Standard was developed in conjunction with the Institute of Business Ethics and launched in 2001.

OBJECTIVE
Good Corporation provides companies with an independent and confidential assessment that help them protect their reputation and foster responsible business practices. The certification is designed for companies of any sector or size. In order to be certified, the company has to provide evidence of the adoption of good practices to manage employees, customers, suppliers, shareholders, community and environmental groups.

CONTENT
The assessment is carried out from a set of criteria of good business management in relation to its stakeholders, and includes categories such as management of relationships, impacts and contributions. Six sessions are assessed – employees, customers, suppliers and subcontractors, community and environment, shareholders and other suppliers of finance, and management commitment. The Standard sets out 62 management practices that are easy to understand and which can be individually assessed.

STEP BY STEP
The assessment process is conducted externally and on-site and draws on evidence from a number of sources, including management views, documentary evidence and stakeholders’ views.

1st step: Initially, the company should fill out an online questionnaire to learn the stage its practices are in order to be assessed. Then, it should register at Good Corporation to get information and request the assessment.

2nd step: Once the agreement is signed, an assessor (accredited by Good Corporation) analyzes the company according to Good Corporation’s social responsibility criteria. This assessment goes through several phases:

• Based on documents provided by the company;
• On-site visits;
• Interviewing the stakeholders.

At the end of this process, the assessor completes the assessment. Each of the practices is graded against a five-point scale from a “fail” to a “commendation”. Organizations must achieve a minimum standard across all the criteria in order to become a Member and Good Corporation. If certified, an organization may use the logo of Good Corporation on its communication for one year. In case of a negative opinion, the organization can follow the assessment report’s suggestions to make improvements in the sectors that failed in the assessment and then ask for a reassessment.

The assessment is conducted confidentially and for the benefit of the assessed organization only. The results are not published by Good Corporation although a listing of those organizations that have met the Standard appears on the website.

RESULTS
Good Corporation has conducted assessments in over 30 countries (in Europe, North and South America, the Middle East, Africa and Asia) for a range of multinational companies, SMEs as well as for public bodies and not-for-profit organizations.

REFERENCE
www.goodcorporation.com
Community Mark

Business in the Community- BITC

COUNTRY
United Kingdom

WHAT IT IS
It is a certifiable standard for social engagement of British SMEs.

ORIGIN
The British standard Community Mark is promoted and distributed free of charge by Business in the Community (BITC) and is supported by the Home Office. The tool was successfully piloted in Brighton and Hove by the Brighton and Hove Business Community Partnership.

BITC is an organization founded in 1982 by a group of large British companies committed to enhancing their positive impact on the society. The organization is chaired by the Prince of Wales and currently has 750 member companies and a network of 2,000 companies engaged through 90 global partners.

OBJECTIVE
CommunityMark is designed to small and medium-sized businesses (up to 250 employees) willing to obtain the recognition by the society of the public interest activities they carry out and the investments they make to the benefit of the communities where they operate. The tool provides visibility to the company’s social action, adding value to its image as a responsible company, hoping that this recognition will contribute to attracting loyal customers.

CommunityMark is a national standard or kitemark that does 3 things:

- Recognizes the contribution of small and medium sized businesses in their local communities
- Provides a model that enables small and medium sized businesses to maximize their community involvement to benefit both the business and the community
- Provides a model that encourages all small and medium sized businesses, even those that are not currently involved in their community at all, to get involved to benefit their business and the community

Advantage – a CommunityMark certification enables a SME, for example, to show examples of its local investment practices, thus providing a potential ‘shortcut’ to completion of local authority tender documents.

CONTENT
CommunityMark is based on the excellence model of the British Quality Foundation. It analyzes 12 areas of activities of SMEs in their locations, assessing the benefits for the community and the initiatives carried out to reach the results presented. The “results” are communicated and the “approaches” are described.

STEP BY STEP
Companies willing to obtain the certification should take the following steps:

1. Send a letter of commitment to BITC, and thereby subscribe to the CommunityMark principles, that is:
   - Integrating CSR values into its management;
   - Respecting the different stakeholders; and
   - Implementing a program to the benefit of its community within two years – the Community Programme

2. Participate in a local network, coordinated by a BITC network member, the CommunityMark Advisor.

3. Provide 53 pieces of information on the improvements made with your Community Programme.

4. Fill out an assessment questionnaire to be submitted to the BITC Assessment Panel, which meets three times a year. The Panel can complete the examination of the request for certification by consulting some stakeholders.

Once validated by the Panel, the company can use the CommunityMark logo for three years.

Note: A new CommunityMark standard is being developed by Business in the Community (BITC) in partnership with member companies, public sector and volunteer organizations. The seal will be launched in a pilot version in early 2007. It will be a standard for recognition of corporate social responsibility practices focused on community-driven initiatives (available as of 2007). The CommunityMark will be available for B2B and B2C of all sizes that wish to obtain public recognition of their contribution to the communities where they operate, resulting in a potential increase in their business value. The seal will offer a model to help companies to maximize their community involvement, generating mutual benefits – for companies and communities.

REFERENCE
www.bitc.org.uk
www.communitymark.org.uk
www.bitc.org.uk/programmes/programme_directory/communitymark/
www.bitc.org.uk/programmes/programme_directory/communitymark/what_is_commuark.htm
Investors in People provides a flexible framework, which any organization can adapt for its own requirements. It mirrors the business planning cycle (Plan, Do, Review), making it clear for organizations to follow and implement in their own planning cycle.

 vanity

COUNTRY
United Kingdom

WHAT IT IS
A certifiable human resources management standard managed by a private company.

ORIGIN
Human Resources development is a critical issue for companies willing to improve their performance. Developed in 1990 within an initiative called National Training Task Force by a partnership of leading businesses and national organizations, the Standard helps organizations to improve performance and realize objectives through the management and development of their people. In 1993 the organization Investors in People was created to promote the use of the tool and carry out the reviews. Since it was developed, the Standard has been reviewed every three years to ensure that it remains relevant, accessible and attractive to all. The most recent review was completed in November 2004.

OBJECTIVES
The Investors in People Standard aims to provide a planning and management methodology for improving business performance from training and developing its people, engaging them in the organizational objectives and strategies.

CONTENT
The Investors in People Standard was created to be used by any organization, regardless of type or size. It provides a flexible framework, which any organization can adapt for its own requirements. It mirrors the business planning cycle (Plan, Do, Review), making it clear for organizations to follow and implement in their own planning cycle. This standard focuses on human resources development and training. The tool presents three steps and ten indicators that guide the work in each step, which have specific evidence requirements.

STEP BY STEP
The first step is to make a diagnosis of the organization, which can be done with the help of a tool available at the Investors in People’s website (www.investorsinpeople.co.uk). Then, the following process takes place:

I. PLAN - Developing strategies to improve the performance of the organization: ensure the organizational objectives are understood and develop strategies for the development of teams focused on these objectives. Indicators:

1. A strategy for improving the performance of the organization is clearly defined and understood.
2. Learning and development is planned to achieve the organization’s objectives.

3. Strategies for managing people are designed to promote quality of opportunity in the development of the organization’s people.

4. The capabilities managers need to lead, manage and develop people effectively are clearly defined and understood.

II. DO - Taking action to improve the performance of the organization: implement a competence building program to meet the objectives. Indicators:

5. Managers are effective in leading, managing and developing people.

6. People’s contribution to the organization is recognized and valued.

7. People are encouraged to take ownership and responsibility by being involved in decision-making.

8. People learn and develop effectively.

III. REVIEW - Evaluating the impact on the performance of the organization: evaluate the impact of competence building programs. Indicators:

9. Investment in people improves the performance of the organization.

10. Improvements are continually made to the way people are managed and developed.

Once the organization has been recognized as an Investors in People it will be subject to regular reviews no more than three years apart. Within this time frame, the organization can choose how frequently it wishes to be reviewed. The evaluation can be made with the help of an Investors in People assessor or by the organization itself by using a free online tool (Business Improvement Diagnostic Tool). For further information, access www.investorsinpeople.co.uk.

RESULTS

Over the past 12 years independent research has consistently shown that the Investors in People Standard provides real business benefits to organizations of all sizes and across all sectors. Currently, over 37,000 recognized organizations in the UK, accounting for 27% of the UK workforce, are benefiting from the Standard in one way or another and they show a 90% rate of employee retention.

REFERENCE

www.iipuk.co.uk

Step by step manual: www.tso.co.uk/bookshop.

Overview

www.investorsinpeople.co.uk/NR/rdonlyres/miomn2hhhyzxmeg6dvpgnudhrejzid2wyou2x6v7swv24jfh3uxqbvwyd7rpka/Overview.pdf
Final Comments: Spirituality, Values and Organizational Consciousness

8.1 Introduction
   Management Tools Mapping
   Beyond Economic Efficiency, Social Equity and Environmental Balance...

8.2 FDC’s Tool to Assess Leaders’ Sustainability Development Program

8.3 A Business’ Value depends on its Values

8.4 Reading List
In general, these are self-assessment and learning tools developed to help organizations (of all sectors) to incorporate social responsibility concepts and practices into the several stages of CSR management. Therefore, they encompass diagnosis, implementation, benchmarking and performance assessment in the three aspects of sustainable evolution – economic, social and environmental –, thus allowing a more effective management of stakeholder relationship and the social and environmental impacts resulting from the organization’s activities throughout its production chain, value chain and cooperation networks.

However, despite the diversity, the use of these tools is still made by a limited number of organizations, many of which are also actors responsible for the development of these tools together with non-governmental organizations, public agencies, associations and universities. These various actors engaged in the development of these tools are among the pioneers both in conceiving and advancing the CSR movement. This way, part of these initiatives are still being developed or piloted, pursuing the dialogue within the SR movement to be legitimized.

We have noticed that the environmental management presents more advanced, numerous and regulated tools, laying the foundations of CSR solutions. Most tools listed do not address the size of companies they are designed for. There is, however, a clear effort to develop tools for small and medium-sized enterprises.

The origin of socially responsible management tools surveyed is mainly private, most of them from non-governmental initiatives.

The typology observed in this study believes that the degree of interactivity (stakeholders + production chain, value chain and cooperation networks) and external monitoring (auditing) is currently the most important factor to differentiate the tools studied. This degree is actually what determines the impact on financial and human resources of the organization, as well as the depth of this initiative in its work towards sustainable evolution.

For the time being, the adoption of CSR/SD management tools remains voluntary. For some, more liberal, voluntary initiatives are tangible evidence of companies’ commitment; for others, more regulation-oriented, they mostly confirm the companies’ determination to not let the government impose new regulatory constraints on them by acting beforehand.

We did not mean to cover all the existing tools, especially because the theme is relatively recent and still being developed. Therefore, we opted for an Internet-based research following a mapping made by the several organizations that deal with the theme in Brazil and abroad. Neither did we include the whole range of CSR tools such as, for example, the Best Practices Databases and Codes of Ethics and Conduct, which deserve the attention of the organizations for they truly contribute to their socially responsible performance.

The Internet is, actually, the ideal and most frequent media for the disclosure of information about these tools, as well as sharing of best business practices. The survey tried to respect the way the tools’ content was presented, so as to show the reader a faithful portrait of how these tools were designed.

For now, we cannot be driven by excess or euphoria, disregarding the important potential dysfunctions, or even the lack of data that hinder the assessment of the actual efficacy of such initiatives. We should bear in mind that, despite the methodological and technical advance and the great number of tools, we are just beginning a long process of reshaping a system that so far has prioritized only the economic aspects.
Management Tools Mapping

Each organization has its own challenges, externalities, corporate culture, stakeholders and management systems.

The proliferation of management tool models makes it hard for managers to clearly understand them in order to choose and use one. Some models are complementary whereas others overlap.

However, the management tools do share the capability of organizing the SR theme within the organizations. This might be the main motivation for those looking for a management model: integrating SR practices naturally, respecting the different evolution stages of each organization and demystifying its abstract features, thus turning it into a daily business activity.

When choosing a tool, the manager should weigh constraints and benefits so as to pick the most suitable tool to influence the organization’s behavior in a desirable and predictable manner. This will promote significant, monitored and guided changes that will impact on different aspects of the organizational process towards sustainability.

The process of choosing a tool raises basic questions such as¹:

- What opportunities and/or threats does SR present to your organization?
- How should the organization strategically address the challenges presented?
- How to turn challenge into opportunity, integrating this opportunity into the organizations’ core strategy?

This broad panorama of the various management tools presented in this publication can be integrated into the manager’s agenda as follows:

**Legislation – Legal Compliance**

✓ Although not enough to assure compliance, the legislation is an efficient and democratic mechanism for fostering SR good practices. Promoting the development and improvement of public policy as well as complying with and enforcing the laws favor the progress of the SR movement towards the planet’s sustainability. Legislation supporters believe that organizations do not want to be legally constrained by the government, so they make use of self-regulatory mechanisms and behave accordingly in advance.

**Principles and Guidelines – chapters 2, 3 and 4**

✓ Principles and guidelines must be present in the organizations from their very first step towards sustainability, for these tools define their scope and help developing an integrated view of SR. Not all principles and guidelines are suitable to beginners; however, they are part of the reality and the market in which they operate. It is worth mentioning that the legislation is not separated from principles and guidelines once the law is based on them.

**Diagnostic Exercise – chapters 5 and 6**

✓ The diagnostic exercise of an organization’s social and environmental actions helps identifying its status regarding SR and respective planning. The diagnostic tool/indicators are an excellent example. Besides carrying out a self-assessment, it provides a benchmark for the market.

**Management Tools – chapters 5 and 6.**

✓ Effectively managing an organization’s stakeholder relations and social, environmental and social impacts of its activities on its value chain is the ultimate purpose of management tools when integrated into the management strategy. No matter how different the level of details, measurement and verification, the organization’s degree of interaction with its stakeholders, production chain, value chain and cooperation networks, or the external audit, it is the most important differentiation factor among the tools analyzed. The cooperation networks created, in which mutual influence occurs, lead to a continuous improvement in this process.

**Standards and Certifications – chapter 7**

✓ Standards and certifications are based both on the legislation and on principles and guidelines. It is worth saying that many times standards and certifications become “mandatory” for strategic positionings and access to markets. One of the main driving forces in the advancement of SR is the market: more than government fines, the worst punishment is losing market due to conscious and well-informed consumers.

¹ “Stakeholder Sniff-Test” developed by AccountAbility
Finally, and beyond economic efficiency, social equity and environmental balance, SR is a process that demands stance, principles, values, DNA: it is a way of being, thinking of, deciding upon, acting on, leading and reacting to (Plan, Do, Check, Act) our activities. It requires an understanding process in which ethical behavior brings economic gains rather than loss. We must realize it is our problem: taking the responsibility for the whole starting by ourselves, individually.

Excelling oneself becomes the greatest challenge.

Leaving the comfort zone to find new models, new technologies and new partners in the search for better solutions instead of using the same mentality expecting different results. “The world will not evolve past its current state of crisis by using the same thinking that created the situation” (Albert Einstein).

Vision, innovation, boldness and entrepreneurial spirit are required to the great leap towards a different world. The challenges are huge and demand radical approaches for fundamental changes, consciousness leap, spiritual development, reconciling reason and emotion, mind and heart.

These are the main global demands for a sustainable evolution. A review of human values in the face of a civilization crisis...

Dialogue based on ethics is also important in order to unite three forces: the so-called first sector, or public power; the second sector, formed by the private sector, and the third sector, represented by non-governmental organizations. The third sector has ideas, but lacks money; the second sector has money, but no credibility; and the first one has power, but no efficacy.

Building an institutional environment favorable to sustainable evolution requires a minimum level of societal awareness about the challenge it means and consensus about its possible solutions: articulated actions among government, companies and civil society. The path to transformation demands strategy, methodology, perseverance and coherence. It calls for the recognition that public policy is a means to universalize collective interests and for the integration of theory and practice of economic agents.

The ability to articulate government, companies and civil society will determine the pace of change in attitude, which can accelerate the transition from a world based on an environmental, social and economic predatory model to a new era of sustainability².

It is not by chance that the lack of institutional articulation among private sector, public sector and civil society has been identified as the main constraint to the incorporation of sustainability challenges into the organizations’ goals and strategic actions³.

It is enough saying that a specially disturbing study carried out by the UNDP shows the relationship between the required world expenses to address the most unacceptable evils of humanity — hunger, lack of access to drinking water, lack of basic care and combat to curable epidemics — and expenses with advertising. Eradicating human indignity requires some US$ 50 bn per year, at the most. Nevertheless, according to the researchers, we seem to be unable to gather such amount, although we spend five to ten times more on advertising campaigns. Not to mention spending on weapons, which surpass all budgets. This shows the origin of the main contradictions and discrepancies in the global social and environmental development does not reside in lack of resources or money.

The challenges are not few...

“A new awareness can lead to the creation of a new, more equitable and sustainable world. We are talking of nothing less than reinventing ourselves, reframing our perceptions, reshaping our beliefs and behavior, composting our knowledge, restructuring our institutions and recycling our societies.”

Hazel Henderson

Collaboration: Vivian Smith

² Fernando Almeida: Os desafios da sustentabilidade: uma ruptura urgente (Sustainability challenges: an urgent rupture).
³ FDC: Desafios para a sustentabilidade e o planejamento estratégico das empresas no Brasil (Sustainability challenges and strategic planning of companies in Brazil)
A business’ value depends on its values

Management tools play a key role in structuring the activities of a company and integrating, among others, the social, environmental and economic dimensions. Nevertheless, they cannot be regarded as isolated solutions, for their success depends on the organization’s culture and the context in which they are implemented.

Before choosing a tool, managers should evaluate the company and understand its stage of development and expectations regarding SR. Likewise, managers should understand the constraints and benefits of each tool and its suitability to the organization’s reality and the future status it wishes to achieve.

However, before answering about values, ethical and developmental principles such tools are expected to include to enable their users to manage issues in a responsible and effective manner, other questions should be answered:

- What core values and principles determine and support the decisions of organizations’ managers, which are expressed through their culture?
- Are personal values of employees aligned with the current and desired culture values of the organization?

A detailed diagnosis of an organization’s culture is critical once values-driven organizations are those of greatest success. The ability of an organization to build a corporate culture has become the new frontier of competitive advantage

What are values?

They are core principles that define and support our decisions.
- People express their values through their behavior.
- Organizations express their values through their culture.

The values assessment is based on three questions:
- Which of the following values and behaviors best represent who you are?
- Which of the following values and behaviors best represent how the company operates?
- Which of the following values and behaviors best represent how you would like your company to operate?

THE SEVEN LEVELS OF ORGANIZATIONAL CONSCIOUSNESS

- **SERVICE TO HUMANITY**

- **STRATEGIC ALLIANCES AND PARTNERSHIPS**
  - Collaboration with customers & the local community.

- **DEVELOPING A STRONG COHESIVE CULTURE**
  - Shared vision and values: Commitment. Enthusiasm

- **CONTINUOUS RENEWAL AND LEARNING**
  - Continuous improvement. Adaptability. Innovation. Team work

- **HIGH PERFORMANCE SYSTEMS AND PROCESSES**

- **RELATIONSHIPS THAT SUPPORT THE ORGANIZATION**

- **PURSUIT OF PROFIT AND SHAREHOLDER VALUE**
LEADERS MUST BE THE CHANGE THEY WANT TO SEE.

The organization’s CEO or leader must be committed to his/her personal transformation in order to change the culture.

The model below shows the Seven Levels of Leadership to the extent they correspond to the Seven Levels of Consciousness.

<table>
<thead>
<tr>
<th>HOW LEADERS MOTIVATE</th>
<th>WHY LEADERS FAIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>By being an altruistic example of service</td>
<td>Lack of ethics, compassion and humbleness</td>
</tr>
<tr>
<td>By enabling employees to make a difference</td>
<td>Lack of empathy with employees and partners</td>
</tr>
<tr>
<td>By aligning values through their inspiring vision</td>
<td>Lack of vision and passion</td>
</tr>
<tr>
<td>Freedom and responsible autonomy</td>
<td>Lack of focus on innovation, R&amp;D and strategy</td>
</tr>
<tr>
<td>By recognizing and valuing</td>
<td>Lack of focus on results and performance mgmt</td>
</tr>
<tr>
<td>Open communication to strengthen loyalty</td>
<td>Lack of inter-personal skills</td>
</tr>
<tr>
<td>Rewards and financial benefits</td>
<td>Lack of trust in others</td>
</tr>
</tbody>
</table>

REFERENCE:


www.valuescentre.com

Note: The companies comprising the FDC’s Reference Center on Responsible Management for Sustainability are Anglogold Ashanti, Construtora Andrade Gutierrez, Sadia, TIM, Souza Cruz, Banco Itaú, Banco Real, Arcelor (Belgo Mineira and CST), and Philips.

COLLABORATION

Roberto Ziemer

Request self-assessment questionnaire to:

robertaziemer@uol.com.br

1 In Corporate Culture and Performance, Kotter & Heskett show that companies with a sound adaptative culture based on shared values were considerably more successful than others. Over an eleven-year period, organizations that focused on all stakeholders saw revenue increases of 682% versus 166% for the companies that did not manage their cultures well; stock price increases of 901% versus 74%; and net income increases of 756% versus 1%. In Built to Last, Collins & Porras showed that companies with an enduring core ideology compared to the performance of peer organizations over several decades achieved 15 times greater stock market value growth than the general stock market.
Instrumento para Avaliação da Educação de Lideranças para a Sustentabilidade (Tool to Assess Leaders’ Sustainability Development Program) – IAELS

Fundação Dom Cabral - FDC

**COUNTRY**
Brazil

**WHAT IT IS**
This tool sums up both the historical perspective and future state of the art trends in the articulation between concepts and practices regarding development programs, leadership and sustainability, thus enabling the development of an agenda that joins the premises of the sustainable development movement and the role of human development in the organizations.

**ORIGIN**
The IAELS is the result of a research carried out in 2005 and 2006 by the Fundação Dom Cabral’s Reference Center on Responsible Management for Sustainability, which gathers a distinguished group of major Brazilian and multinational organizations. Its mission is to develop management practices that contribute to the country’s and world’s sustainability. Theoretical and practical investigations have been carried out in the development of this tool, including bibliographic research, participation in relevant events, field research in companies regarded as benchmark by the Center and in specialized institutions that are promoting sustainable development in the country and abroad.

The concept model guiding the Reference Center’s initiatives is based on a tripod comprising: Responsible Management towards Sustainability – business management focused on sustainability; Conscious Organizations – organic and humanely conscious perception of the organizations’ living reality, and Biosystem Thinking – the exercise of perception, reflection and development of attitudes and actions based on the recognition of natural principles.

This “Biosystem Thinking” was used to understand the leaders’ sustainability development program. It identifies the vital dynamics present in the organizations’ internal and external interactions. This logic is symbolically represented by the biogram, which on its first complexity level describes the mutual relationship of smaller organisms within bigger ones.

Aimed at companies in general, the biogram is concentric circle-shaped showing the dimensions of organisms ranging from the most central to the most comprehensive in the following order: individual, organization, market, society, and planet (Figure 1).

**OBJECTIVE**
The tool aims to evaluate the sophistication level of the leaders’ sustainability development program practiced by the organization, thus enabling a better strategic positioning regarding the theme so as to promote its longevity in harmony with the sustainability of the markets, society, and natural resources involved.

**CONTENT**

a) Fundamental Aspects – focus on basic conditions that should be considered by the organization when promoting a leaders’ sustainability development program and other initiatives related to the theme. The following items are assessed: extent to which the organization’s identity is stakeholder-oriented; consideration of stakeholders; extent to which the corporate governance is stakeholder-oriented; involvement of
the board; suitability of the organizational structure; and consistency between theory and practice.

b) Concepts Used – check the company’s level of conceptualization to explain and develop its current practices regarding leaders’ sustainability development program. The following items are assessed: identity (if aimed at meeting human needs); organization (if a living entity); development program (as human development); leadership (as conscious leadership); sustainability and stakeholders.

c) Educational Content – addresses sustainability-related aspects of the educational content. The following items are assessed: leaders’ maturity profile; sustainability-specific themes; management- and measurement-specific systems; metadisciplinarity; sustainability pervasion in other expert areas, and content suitability to the organizational reality.

d) Practices and Processes – address the methodological aspects of the leaders’ sustainability development program. The following items are assessed: relation between theory and practice; decision-making process (if participatory); change- and learning-oriented culture; respect for individuality; andragogy; experiences; coaching; on-site learning, and self-development.

e) Leaders’ sustainability development program planning – assesses the extent to which the leaders’ sustainability development program planning is well organized. The following items are assessed: link with organizational planning; leaders’ engagement; workforce engagement; stakeholder engagement; reference sources engagement; resources allocation; and results monitoring.

f) Business Communication – considers the role of business communication as a key factor in the educational process, and checks its suitability to sustainable development. The following items are assessed: content and format; repetition for assimilation; stakeholder engagement; and assessment.

g) Results – results achieved regarding sustainable development. The following items are assessed: systematization of relations with stakeholders; internal recognition; market recognition; society recognition, and recognition in the interaction with the planet.

STEP BY STEP

The tool is organized in two parts. The first one deals with relevant aspects of the leaders’ sustainability development program including sub-items with statements. Such statements must be assessed in a scale ranging from 1 (“totally disagree”) to 6 (“totally agree”), meaning the least and most favorable conditions, respectively (descriptions of the conditions are provided below the scale).

The second part checks the benchmark level at which the company stands considering the aspects dealt with in the first part, indicating a scale covering the sectoral dimensions of the business included in the reference item, combined with the geographic dimensions which vary from local to global.

RESULTS

An organization can become a benchmark in a certain aspect through formal recognition such as important awards, visibility in the specialized media, invitations to official events of renowned institutions to present its experiences and/or to be paid special homage, and reports of cases in prestigious publications. In order to check the benchmark level at which the company stands, examine whether it is a benchmark in one or more sub-items of each aspect addressed, in a scale ranging as follows: (1) in the sector (market where the company operates) at local level; (2) in general (considering all sectors of the market) at local level; (3) in the sector at state level; (4) in general at state level; (5) in the sector at country level; (6) in general at country level; (7) in the sector at global level; (8) in general at global level.

REFERÊNCIA

www.fdc.org.br
Theme: CSR IN THE WORLD
Title: Corporate Social Responsibility in Europe, North America and Asia: 2004 Survey Results
Author: University of Hong Kong, 2004

The Centre of Urban Planning and Environmental Management of the University of Hong Kong, through its experts, has been following the Corporate Social Responsibility (CSR) activities of the European, North-American and Asian companies. After a first study, carried out in 2000, the results of a second survey are now published and they reinforce the conclusions reached four years ago, in addition to new interesting data.

The surveys made sought to analyze the CSR policies of companies based on 20 elements considered relevant in international conventions, codes of conduct and industry best practice. This analysis aims to unveil the companies’ priorities for CSR. The companies analyzed were originated from 50 countries in Europe, North-America and Asia.

Some conclusions:
- The second survey shows an increased emphasis on ethics, bribery and corruption, and increased policies amongst companies on child labor compared with the first survey carried out in 2000.
- By comparing the different continents, it is possible to conclude that, as opposed to what is considered true, Asian countries are not less developed than their Western counterparts in terms of CSR, and there is a growing trend of CSR in Japan, in particular.
- CSR is, in part, linked with economic development. There are clear links with culture as well, and CSR policies are more common in countries with a social democratic tradition.

Theme: SRI – SOCIALLY RESPONSIBLE INVESTMENT
Title: Investing in responsible business: survey of European fund managers, financial analysts and investor relations officers
Author: CRS Europe 2003
www.csreurope.org/publications/surveyfundmanagers

This recent study on Socially Responsible Investment is the first European snapshot of how social and environmental performance of companies influence investment decisions of fund managers and analysts.

The conclusions point to a grown interest in socially responsible investment, although there are big differences according to the level of development and SRI perception among European countries.

The study was based on telephone interviews with 388 fund managers and financial analysts of large companies in five European countries (Belgium, France, Germany, Italy, Sweden, Spain, the Netherlands, Switzerland and the UK).

Theme: STAKEHOLDER ENGAGEMENT
Title: “Making Stakeholder Engagement Work”
Author: CRS Europe 2003/2004

The Campaign Report on European CSR Excellence, 2003-2004 focuses on engagement of and dialogue with the parties that have a stake in the Social Responsibility process (the so-called stakeholders – including companies, clients, workforce, shareholders, as well as governments, unions, NGOs, media and the civil society).

This theme has been chosen due to the current complexity facing the European countries, namely the new challenges facing the companies at economic, social and environmental levels.

By analyzing cases and interviews with companies and their different stakeholders, this report seeks to show that the engagement of all stakeholders in this process through multi-sector dialogue and partnerships is a critical tool to face these challenges.

While many recent facts have shown how difficult it is to advance globalization in a balanced manner (e.g. the failures of Cancun WTO Ministerial Conference, the recent geopolitical tensions and the economic recession), this report aims to take a quick look at the opposite: the cases of success – achieved precisely through dialogue and engagement – that confirm that Europe has managed to find solutions that would not have been possible a short time ago.

The latest report from CSR Europe is inspiring for those willing to make the European revitalization process as dynamic and comprehensive as possible.
Chapter 8
Final Comments

READING LIST 8.4

Theme: CONSCIOUS CONSUMPTION
Title: Stakeholder Dialogue: Consumer Attitudes – European Survey of Consumer’s Attitudes towards Corporate Social Responsibility
Author: CRS Europe 2000
www.csreurope.org/publications/europeansurvey

This is the first European survey of consumers’ attitudes towards Corporate Social Responsibility. Presentation of the findings of a European-wide study of public attitudes to CSR conducted by MORI (Market and Opinion Research International) on behalf of CSR Europe, involving 12 thousand consumers in 12 European countries. This study assesses overall European attitudes and analyzes views in each country.

Theme: DIVERSITY
Title: GREEN PAPER – Equality and non-discrimination in an enlarged European Union
Author: CE 2004
www.sairdacasca.com/recursos/docs/Livro_Verde.pdf (37 pages)

Five years ago, huge impetus was given to the fight against discrimination in the European Union when new powers were granted to tackle discrimination on grounds of sex, racial or ethnic origin, religion or belief, age, disability and sexual orientation.

However, the community legislation then approved has not managed to prevent certain forms of discrimination from increasing. Besides, many member States still do not apply the new rules.

The GREEN PAPER – Equality and non-discrimination in an enlarged European Union sets out the European Commission’s analysis of the progress that has been made so far. Launched last June, this document describes the measures taken by the EU to forbid all forms of discrimination – especially in the labor sector – and makes a careful analysis of the new challenges that have emerged in recent years, including those linked to the enlargement of the EU.

An example is the case of the Rom (gypsy) community, many times victim of discriminatory practices, and that, with the enlargement of the EU, has become the minority ethnic group with the strongest representation in the EU.

Between June and August 2004, the Green Paper underwent public consultation through the Internet. So that all citizens can participate in the non-discriminatory policy-making process, the European Union invited the population to present their ideas, and responses were collected principally using an on-line questionnaire.

Theme: SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)
Title: European SMEs and Social and Environmental Responsibility
Author: Observatory of European SMEs

This study combines a review of the existing literature with information obtained from a comprehensive survey conducted amongst approximately 7,700 European SMEs and showed that social responsibility practices are not exclusive to large enterprises, since nearly half of the European SMEs are involved in external socially responsible causes. However, most of SMEs’ external socially responsible activities are occasional and unrelated to the business strategy.

So far, donations and sponsorships are the preferred ways of involvement. One of the factors that naturally determine investment in social responsibility is related to the lack of public support to SMEs.

According to this study, although the public authorities have already realized the relevance of social responsibility, there are significant differences from country to country. Overall, only 8% of European SMEs receive some form of public support (tax reductions, subsidies, information, etc.) when they participate in external socially responsible activities.

As far as the engagement of SMEs to CSR, geographically speaking, the study shows that the ‘best behaved’ SMEs are located in the North of Europe. The conclusions of the study also show there are differences in SMEs involvement with the community and the environmental themes. As for the community, the involvement is more visible, essentially motivated by ‘ethical reasons,’ and most SMEs surveyed know how to identify business benefits derived from these activities. On the other hand, the environmental effort of the SMEs is lower, and is essentially due to practical aspects (related to market requirements, laws in force or the strategic choice to obtain certain competitive advantages).

The companies interviewed still have some doubts about the advantages deriving from responsible environmental activities. Generally speaking, and as stressed by the authors of this study, not much is known about the CSR attitudes and activities of SMEs. Furthermore, the Observatory of European SMEs only considers the relationship of SMEs with the external stakeholders (especially the community and the environment), while taking into account the internal stakeholders would be critical to determining the results.

Anyway, this report has been intended as another ‘step forward’ in the research on social responsibility in the vast world of SMEs. The conclusions drawn show interesting aspects of the involvement, attitudes, cost-effectiveness and barriers for the relationship between SMEs and their external stakeholders.
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